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CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

FRONT PAGE

ALBANIA

People's Assembly Chairman Meets Kosovo Deputies *[ATA]* 2
Arbnori Discusses Legislation Concerns *[ATA]* 2
PS Chairman Speaks at Electoral News Conference *[Tirana Radio]* 2
Trade Unions Discuss Present Economic Situation *[Tirana Radio]* 3

BULGARIA

Prosecutor Asks For 10 Years in Prison for Zhivkov *[BTA]* 4
UN Official Denies Report of Muslim Deportation *[BTA]* 4
Dogan Predicts Government Fall 'by September' *[BTA]* 4
Intelligence Chief Sees Politics Behind Attacks *[BTA]* 5
President Sees Army as 'Guarantor' of Transition *[BTA]* 5
Union Leader Describes Corruption at Refinery *[TRUD 20 Jul]* 6

CZECHOSLOVAKIA

Defense Minister Comments on Dividing Army *[CSTK]* 7
Foreign Minister Discusses Future of EC Treaty *[CSTK]* 7
Democratic Union Blames HZDS for Breakup *[CSTK]* 7
Ministers Agree on Division of Powers *[CTSK]* 7
Czech Government Economic Commission Abolished *[Prague Radio]* 8
Slovak Government Approves Draft Constitution *[CSTK]* 8
Slovak Deputy Prime Minister on Constitution *[Bratislava Radio]* 8
Democratic Left Rejects Support for HZDS *[CSTK]* 9

POLAND

German Foreign Minister Arrives for 2-Day Visit *[PAP]* 10
Meets With Skubiszewski *[DPA]* 10
Council of Ministers Discusses State Budget *[PAP]* 10
Solidarity Leader Protests Energy, Gas Price Hikes *[Warsaw TV]* 10
Agreement Reached at Tychy Automobile Factory *[Warsaw Radio]* 10

ROMANIA

Ukrainian Trade Minster Arrives, Meets Counterpart *[ROMPRES]* 11
Meets Stolojan, Signs Accord *[ROMPRES]* 11
Discusses Economic Zone *[ROMPRES]* 11
Stolojan Receives French Secretary of State *[ROMPRES]* 11
Prime Minister Discusses Elections, Economy *[Bucharest Radio]* 12
Question and Answer Session *[Bucharest Radio]* 14

BOSNIA-HERCEGOVINA

Silajdzic: Bosnia Has 'Right to Protection' *[Sarajevo Radio]* 17
TANJUG Reports Breakdown in London Talks 17
Izetbegovic Discourages Reliance on Intervention *[TANJUG]* 18
Karadzic Views Serbian Position *[NEPSZABADSAG 24 Jul]* 18

German Ministry Reports Embargo 'Taking Effect' *[ADN]* 20
Bosnian Presidency Member Seeks Arms From Turkey *[TANJUG]* 20
Correspondent Interviews Muslim Leaders, Refugees 20
Bosnian Zenica Leaders *[London AL-SHARQ AL-AWSAT 16 Jul]* 20
Zenica Hospital, Refugee Camp *[London AL-SHARQ AL-AWSAT 16 Jul* 21
Hercegovina Corps Commander Views Links With FRY *[POBJEDA 9 Jun]* 22
Egypt's Aid to Bosnia's Muslims Discussed *[NIN 10 Jul]* 23

CROATIA

Krajina Militia To Control Croatian Border *[Belgrade Radio]* 25
Arms, Drugs Being Smuggled from Argentina *[TANJUG]* 25

YUGOSLAVIA

Federal

Army Denies Tank Movement Toward Bosnia *[TANJUG]* 26
Justice Minister Says Panic Opened Way To Changes *[TANJUG]* 26
UNPROFOR Begins Moving Headquarters to Zagreb *[TANJUG]* 26

Serbia

Captured Troops Testify To Croatia's Aggression *[TANJUG]* 26
Assembly Adopts Law on Public Demonstrations *[TANJUG]* 27
People's Party Offers Government Candidates *[TANJUG]* 27
Deputies Propose No-Confidence Vote on Government *[TANJUG]* 27
Prince Aleksandar Interviewed on Visit *[NIN 10 Jul]* 28

Montenegro

FRY President Discusses Prevlaka, Ends Visit *[TANJUG]* 30

Bosnia-Hercegovina

Foreign Minister Dr. Haris Silajdzic held a news conference in London on 28 July. Sarajevo radio reports that "he opposed any sort of division of Bosnia-Hercegovina, saying that such borders would be drawn in blood." According to TANJUG, Silajdzic "claimed that a column of 100 Army tanks had set out" from Serbia into northern Bosnia. In response, Radovan Karadzic, president of the Serbian Republic of Bosnia-Hercegovina, "reacted at once, inviting Silajdzic to meet him directly."

Yugoslavia

Federal—In response to a statement made by Bosnia-Hercegovina Foreign Minister Haris Silajdzic, TANJUG reports the Yugoslav Army General Staff issued the following statement: "The statement of Bosnia-Hercegovina Foreign Minister Haris Silajdzic in London about the alleged movement of tanks of the Yugoslav Army from Valjevo in the direction of Bosnia is the product of a foolish idea of provoking military intervention at any cost."

Poland

German Foreign Minister Klaus Kinkel arrived in Warsaw on 29 July for a two-day visit, reports PAP. During his visit, he will meet with Prime Minister Hanna Schocka and President Lech Walesa. According to Hamburg DPA, Kinkel told journalists that his visit is "not a routine trip but an expression of the special German-Polish relationship."

Bulgaria

BTA reports that on 28 July, Prosecutor Krasimir Zhekov concluded his summation for Case No. 1, in which Todor Zhivkov and Milko Balev are the defendants. Zhivkov is charged with inflicting 26 million leva damage on the state over the course of 27 years. In his summation, Zhekov called for a maximum sentence of 10 years for Zhivkov.

Romania

On 27 July, Anatoliy Nilolaevich Voronkov, Ukrainian minister of external economic relations and trade, was received by Constantin Fota, minister of trade and tourism. ROMPRES reports that "the key target of the visit is the signing of an accord to regulate commercial exchanges and of a protocol on exchanges and payments in 1992."

Czechoslovakia

CSTK reports that Federal Defense Minister Imrich Andrejcak "told journalists" on 23 July "that any division of the Czechoslovak Army must take place in a way that allows it at any moment to be stopped and restored to a unified system."

Albania

In a report sent to ATA by the People's Assembly spokesman, Pjeter Arbnori, chairman of the Presidency, told a group of deputies and reporters from Kosovo "that our assembly will expand and promote friendly and fraternal relations with the assembly of Kosovo."

People's Assembly Chairman Meets Kosovo Deputies

AU2607144192 Tirana ATA in English 0902 GMT 26 Jul 92

[Text] Tirana, July 26 (ATA)—The report sent by press spokesman of the People's Assembly says that our assembly will expand and promote friendly and fraternal relations with the assembly of Kosovo - said the chairman of the Presidency, Mr. Pjeter Arbnori at the meeting with a group of deputies and reporters from the Republic of Kosovo on July 25. We know the extremely difficult circumstances under which operates the assembly and Government of Kosovo, but we also know the devotion of the deputies elected by the people to implement their legal duties.

Deputy Fatmir Sejdiu spoke on the great work of Kosovo jurists, who although under the drastic pressure and oppression of the Serbian power and police, manage to prepare in a record time the material for the successful conduct of elections to the assembly of the Republic of Kosovo. We have little experience, said he, but much courage and will to attain world standards for the functioning of our parliament and government .

The Kosovo brothers thanked for the warm and useful conversation.

Arbnori Discusses Legislation Concerns

AU2907112892 Tirana ATA in English 0854 GMT 29 Jul 92

[Text] Tirana, July 29 (ATA)—Mr. Pjeter Arbnori, chairman of the Presidency of the People's Assembly, had an interview with the Albanian TV on some problems with regard to legislation. He stressed among others:

More frequently the People's Assembly is asked to render account instead of the opposite. The People's Assembly is not only to make laws, which should be strictly observed. People should have it clear that laws in democracy are more rigid than in dictatorship. Laws are main measures, indispensable to be observed in order that things go on well in Albania. The human rights and democracy in Albania should be the strictly applied. Mr. Pjeter Arbnori mentions on this occasion the Law on Land approved by the People's Assembly, but not properly applied. The distribution of the land per capita, he said, should be strictly realised. The same is happening with the forests, ruined en masse at a time when it is a law which protects them.

With regard to numerous petitions, requests, and complaints coming in the People's Assembly, Mr. Pjeter Arbnori stressed we welcome them when they are in accord with the law, constitution, and fundamental constitutional provisions. We shall not take into consideration those petitions which make pressure on us. The People's Assembly represents Albania, represents the Albanian people. Some others demand referendums and plebishits, but these are made only on the request of the president of the Republic and not at will.

With regard to some unlegitimate, not adopted unions, which are against the status of the military man, Mr. Arbnori pointed out that in this direction too, justice should work with regard to observation of law. Military men should not form unlegitimate associations. On this occasion, the chairman of the Presidency of the People's Assembly draws the attention of all organs of justice, they should depend only on the law and observe it strictly. We know, he said, that there are many honest people in the organs of justice, but there are also corrupted people and pure Enverists [followers of Enver Hoxha]. We should not forget we have a Council of Justice which should apply the competences it has and not leave all problems for the president to solve.

Mr. Pjeter Arbnori concentrated in his interview also on the Association of Advocacy, which has in its ranks all the prosecutors and investigators who have passed death sentences. This association, he emphasized, should not be a nest for sinners, but it should be made up of honest people.

With regard to the facts the press mentions on some recent arrests by the forces of order for weapons without permission, Mr. Pjeter Arbnori stressed that in this regard forces of order enjoy full competences and they should exert sudden controls in those people who have weapons and do not hand them over. Measures should be adopted also against those militarymen who have formed unlegitimate associations and hold weapons without permission when it is common knowledge that some of them have been in the ranks of "Sigurimi" [National Intelligence Service], National Information Service, or Prosecutors' Office and have made monstrous crimes and staged false trials.

PS Chairman Speaks at Electoral News Conference

AU2807202292 Tirana Radio Tirana Network in Albanian 1730 GMT 28 Jul 92

[Franko Egro report]

[Text] At the news conference held today at noon, comrade Fatos Nano, chairman of the Socialist Party [PS] stated that the PS reached its goal in these elections. With its clear and realistic messages addressed to the people before and after the electoral campaign, it ensured a vote of confidence from them in a great number of municipalities and districts that was needed to restore the political balance in Albania.

Later, he said that, according to the preliminary data, the Socialist Party results are as follows: Concerning the communal councils the PS won about 200 communes or 64 percent. Of municipal councils the PS won 51 percent, or 22 councils. Out of 36 districts of the country the PS won more than 60 percent of votes. Concerning elections for the leadership of municipalities and communes, the PS won about 17 localities or 40 percent.

Until now 15 are in [words indistinct] other political forces won 11 other communes. In elections for mayor, the PS won 163 of them or 52 percent, and 64 other communes are yet to be tallied.

With these preliminary results, said Fatos Nano, chairman of the Socialist Party, we address to the public the necessary messages for understanding, and political cooperation between serious political forces that the people judged as such on 22 March and on 26 July.

Later, Fatos Nano stated that the Albanian electorate is gaining a strong democratic culture. The people knew how to express once again their free will that the process of democratic reforms continue for the benefit of the majority of the Albanians. Creating such a situation in the government makes it possible to achieve a very democratic mechanism for cooperation and not for conflicts between the central and local government, but for honest alternative competitions, programs, and solutions not only on the national level but also on level of the various districts and communes. Definitively, said Nano, our conclusion and political stand after these elections is to urge the Albanian electorate continually that the democratic processes should not [word indistinct] back but to create the necessary climate for balanced democratic reforms that serve the national reconciliation and cooperation to take the country out of the crisis.

Comrade Nano answered several questions from reporters in the second half of this news conference. Speaking on the relationship between the central and local governments that is still to be worked out, and bearing in mind their concordance, he said we must make maximum efforts to prevent all the conflicts and avoid two major phenomena: The first is the central government's tendency to concentrate more power in its hands than is needed, and the second extreme is that the government should not charge the local governments with the tasks that are impossible for them to solve.

From the contact we have had, continued Nano, with the EC representatives, with other international institutions, and with diplomatic representative accredited here in Tirana, we have noticed that the echo is very positive because these elections serve the new balance of the Albanian political life. There will never be anti-democratic and antilegal activities by the representatives of the Socialist Party in the local government, said Comrade Nano. We will strongly support professional criterion.

The Socialist Party, said Nano, is not a party of millionaires and rich people, but it is a party that protects the interests of the poor, peasants, and workers.

It is important to say that a group of people who were not reporters wanted to enter by force and assist in this conference. Mr. Sokol Muho, the chief of the Writers League, reacted in this case, too, and said that only the reporters should participate in this news conference. Bashkim Zeneli, who was leading the conference supported this opinion, too. This conference was held with open doors as it was not possible otherwise. [sentence as heard]

Trade Unions Discuss Present Economic Situation

AU2907091292 Tirana Radio Tirana Network in Albanian 1730 GMT 28 Jul 92

[Text] The National Council of the Independent Trade Unions [BSPSh] held a meeting today to analyze the country's present social and economic situation and the duties the BSPSh have to carry out during this difficult transition stage. The council expressed the BSPSh's determination to advance the course of the reform and criticized the government's sluggishness in this direction. The government still has not brought into effect a multi-reform privatization. On the contrary, with the laws on state enterprises and wages, which are determined by the spirit of strict centralism, characteristic of a centralized economy, the government has blocked the way to state restitution and activity by the elements of the free market economy.

Despite the BSPSh's resolute support to the reform, the National Council stressed that the BSPSh will not allow the government to apply a drastic reform and shift the whole burden of its grave consequences onto the shoulders of the working people, especially on the city workers, who are at present the most affected.

The BSPSh demands a softening of the effects of the reform at a social level in order to prevent the further worsening of living conditions and the social services, especially the health service and educational system.

Prosecutor Asks For 10 Years in Prison for Zhivkov

AU2807184492 Sofia BTA in English 1244 GMT 28 Jul 92

[Text] Sofia, July 28 (BTA)—In his summation today Prosecutor Krasimir Zhekov demanded ten years imprisonment for Todor Zhivkov and Milko Balev, defendants in Case No.1 of 1991. The former head of state and party chief is charged with inflicting 26 million leva damage on the state in the course of 27 years. Mr. Zhekov sees the fact that during that time the defendant occupied the highest post in Bulgaria as an aggravating circumstance and that is why he demanded the maximum sentence of 10 year imprisonment, which the charge carries under Article 282 of the Penal Code.

The other defendant, Milko Balev, was charged with unlawful receipt of royalties for compilation and editing he never did, without signing a contract with any publishing house, and for unlawful purchase of foreign exchange from the National Bank of Bulgaria without permission from the Ministry of Finance. The cumulative sentences for such offences could total up to 20 years but Prosecutor Zhekov said that the defendant's deteriorated health condition and the fact that he acted under superior orders during his "editorship" qualified as mitigating circumstances. Mr. Zhekov recommended that the court sentence Mr. Balev to imprisonment in a minimum- rather than maximum-security conditions.

The charge of deception involving documents, preferred against the ex-number one, was dropped for insufficient evidence. The charge refers to protocol documents and cables of greetings which he never wrote but which were included in Mr. Zhivkov's selected works. Mr. Zhivkov, however, admitted he had not read all his publications and was not aware of what the charge referred to. In addition, both defendants are charged in connection with the 20,000 leva social assistance allocated to the late Georgi Pavlov (an old associate of Mr. Zhivkov's) without legal justification.

"Regrettably the ten years imprisonment for which I plead are too little compared to the 35-year punishment administered on the Bulgarian people by the defendant's totalitarian rule, but the sentence for which I plead is the statutory punishment," Mr. Zhekov emphasized, resting his case.

The defence summation will be heard when the court meets next on Friday.

UN Official Denies Report of Muslim Deportation

AU2807130192 Sofia BTA in English 1844 GMT 27 Jul 92

[Text] Sofia, July 27 (BTA)—The office of the UN High Commission for Refugees in Belgrade has no information about large groups of Muslims from Bosnia and Herzegovina being forcibly deported to the areas near the Bulgarian-Serbian border, an official of the commission's office in Belgrade told BTA's correspondent in connection with the statement made yesterday by Mr. Slavi Pashovski of the Ministry of Foreign Affairs on Bulgarian radio. According to Mr. Pashovski, Muslims from Bosnia and Herzegovina were moved to these areas in an attempt to change the ethnic composition of the population there.

The commission official, who preferred anonymity, said that Muslims account for about 10 percent of refugees in Serbia and, as far as the Bureau of the Commissariat is informed, they settled all over the republic. However, the official warned he cannot specify the number of Muslim refugees with precision, because the reports received at the office of the UN High Commission for Refugees are made out by Serbia's competent authorities and do not always contain data about the ethnic structure of refugees.

Concerning the issue of refugees in Macedonia, the office of the UN High Commission for Refugees official confirmed they are about 31,000 and came from Bosnia and Herzegovina, most of them are Muslims.

Dogan Predicts Government Fall 'by September'

AU2807115292 Sofia BTA in English 1008 GMT 28 Jul 92

[Text] Sofia, July 28 (BTA)—"I am positive that the cabinet is bound to tumble down following the aggressive demonstration of its antisocial policy," the leader of the ethnic Turks' Movement for Rights and Freedoms (DPS), Mr. Ahmed Dogan, is quoted as saying in an interview for 168 CHASA.

According to Mr. Dogan, the thesis maintained by the prime minister lately that democracy should be founded on the protection of state institutions bears some allusions to totalitarianism. It is a paradox that the first democratic government in Bulgaria should resort to undemocratic methods, he emphasizes.

Asked whether his vote of no-confidence in the government should be interpreted as a warning, reminder or some sort of a test, Mr. Ahmed Dogan categorically states: "It's a mere warning." The DPS leader clarified that his vote of no-confidence in the government should not be interpreted as being only personal. It has been harmonized with the DPS parliamentary faction. When the motion of no-confidence made by the opposition Socialist Party [BSP] was put to the vote last week, the parliamentary DPS unanimously backed the government with the exception of Mr. Dogan alone. "By voting down the BSP's motion, the DPS did not vote confidence in the government. It only expressed its willingness to save the Blue [Union of Democratic Forces] idea," Mr. Dogan emphasizes.

Replying to a question of how long the government will manage to survive, Mr. Dogan predicts its fall "by September at the latest." As to DPS's intentions of

joining the new cabinet, the DPS leader states the Movement for Rights and Freedoms has no intention of participating in weak governments.

Ahmed Dogan predicts the expected signing of an agreement between the SDS [Union of Democratic Forces] and the DPS will not solve the problems between them, not until the two parties clarify their positions. "Since we form the majority in parliament, the Union of Democratic Forces should reckon with the DPS's demands, which are in no way directed against it, or against Bulgaria's national interests and the process of democratization in the country," he points out.

The DPS leader strongly criticizes the premier's team of advisors and Finance Minister Ivan Kostov. "It is extremely dangerous to impose a single opinion in a situation that requires a multivariant methodology in the economy," Mr. Dogan says in connection with the government's economic programme. "I have sufficient grounds to believe that the actual premier in this country is not Mr. Filip Dimitrov but Mr. Ivan Kostov," he states in the interview. He attacks the premier's advisors for assisting Finance Minister Ivan Kostov in his "shady deals." This situation reflects on the SDS as a whole and its parliamentary faction in particular, Ahmed Dogan says.

Prime Minister Filip Dimitrov is quoted in the 24 CHASA daily, published by 168 HOURS [168 CHASA] Ltd. as well, as saying that Mr. Ahmed Dogan's statement on the finance minister and the premier's advisers is reaching far beyond bon ton [good tone]. Feeling directly attacked and involved in this conflict, the premier denied to give a political assessment of Mr. Dogan's statement, the paper writes.

Intelligence Chief Sees Politics Behind Attacks

AU2807191892 Sofia BTA in English 1842 GMT 28 Jul 92

[Text] Sofia, July 28 (BTA)—The categorical intention of the National Intelligence Service (NIS) not to serve ad hoc politics and the political interests of persons and groups is probably the reason for the attacks and half-truths launched against it recently, said General Brigo Asparukhov, director of the NIS, speaking at his first news conference today. Earlier in the day, in an interview broadcast on National Radio, he stressed the readiness of Bulgarian Intelligence to open to the mass media.

According to General Asparukhov, the desire of the political forces to take control of the NIS results in leaks of information and this will go on until a public consensus is reached that the Intelligence Service is a state institution which looks after Bulgaria's national security and interests.

Intelligence gathering covers all aspects of national security and most attention is paid to the destabilizing tendencies on a regional and national scale: international terrorism, arms and technology transfer, population and ethnic explosions, the NIS chief said. He said that Bulgarian intelligence is particularly interested in the Balkans and the Middle East. Apart from having economic interests in the Middle East countries, Bulgaria can achieve early integration with the European intelligence services, cooperating with them in the drive against terrorism, which derives its finances from some countries in the region.

The Ministry of Foreign Affairs is seeking to reform and restructure itself and this has restricted the presence of Bulgarian intelligence agents in the Balkans. Still, the NIS is on good terms with the Foreign Ministry and the leadership of the service hopes that the difficulties will be overcome. General Asparukhov said today that Bulgaria has interests in Europe, too, and the NIS should look after them. In his view, however, the political decision to suspend the service's activities in Western Europe is right for the time being "in this transitional period for Bulgaria."

Interviewed on National Radio, General Asparukhov denied that the NIS had any companies in the West but said he was convinced that former employees of the service were members of Western-based companies. "We have specific information to this effect," he stressed.

The NIS director said that state-owned Bulgarian companies abroad had been used as a front by the former Scientific and Technological Intelligence Department but under no circumstance had Bulgarian intelligence formed companies on its own. He said that the Intelligence Service had no share participation in the statutory capital or the current assets of those companies.

President Sees Army as 'Guarantor' of Transition

AU2807201492 Sofia BTA in English 1908 GMT 28 Jul 92

[Text] Sofia, July 28 (BTA)—"Any attempts to repoliticize the army, to involve it in political struggles and draw it to the side of one political party or trade union or another should be stopped, and they will be stopped uncompromisingly in Bulgaria because this is playing with fire," Dr. Zhelyu Zhelev, president of the Republic and commander-in-chief of Bulgaria's Armed Forces, said in a televised interview this evening.

Asked whether there have been any such attempts in the Bulgarian Army, President Zhelev declined to cite specific facts, but said: "Indeed, there were such attempts in isolated cases and after these violations the respective commanders were dismissed."

"The Bulgarian Army has always acted and I believe it continues to act under these dramatically changed circumstances as a mainstay of national security and a guarantor of the country's territorial integrity," the president indicated. Under the new conditions the Army acts furthermore as a guarantor of the peaceful transition to democracy and market economy. The Army can play

this role only when it firmly backs the Constitution, the legitimately elected state institutions: Parliament, president and government," Dr. Zhelev said.

Any attempts to split the Army are very dangerous, the president warned in several places of his interview which was devoted to the reform and the problems of the Bulgarian Army.

Asked about the future of the military industrial complex, Dr. Zhelev said he was categorical that the military industrial complex should not be privatized for at least three to five more years. In his view, the future of Bulgaria's military industry will be decided during that period. If well-organized and directed by the right policy, the military industrial complex could bring Bulgaria a handsome profit, Dr. Zhelev said. He added, however, that Bulgaria must mandatorily observe all rules and requirements for arms production and trade under the international conventions.

Dr. Zhelev discussed the progress of the military reform in Bulgaria. He singled out the establishment of a civilian ministry of defence as the most important element. The president commended highly the concept for the development of the Bulgarian Army, which has been drafted by the General Staff and approved by the government.

According to the president, the Bulgarian Army has not been spared the crisis in the country and the social problems. He said there is a "dangerous" outflow of pilots, seamen and other highly skilled military specialists who leave the Armed Forces to take better-paid civilian jobs.

Union Leader Describes Corruption at Refinery

AU2907092892 Sofia TRUD in Bulgarian 20 Jul 92 pp 1, 2

[Nikolay Zhukov report]

[Text] Ivan Vasilev, branch leader at the Neftokhim Plant in Burgas of the Independent Petrochemical Workers Trade Union affiliated to the Confederation of Independent Trade Unions in Bulgaria [KNSB], has informed TRUD that on 28 July the combine will not have a drop left from the 120,000 tonnes of crude oil last delivered for refining. The refinery will finally have to shut down after operating for 28 years. The Fuels Department confirms that the combine has not signed a single contract for crude oil deliveries. Quite apart from this, both Deputy Industry Minister Racho Petrov and Stefan Konstantinov, the Burgas Oblast administrator, are painfully aware of the situation.

On 31 March Neftokhim reported losses of 70 million leva, and by the end of May these losses increased to 257 million leva. Due to the plant's standing idle, the combine is reported to incur losses of 70 million leva per month, of which 60 million leva goes for wages. For this reason, Neftokhim does not find it profitable to accept orders to process other people's crude oil for them. Instead of establishing their own positions in the oil-purchasing market, Mr. Vasilev said, Neftoimpeks and Khimimport preferred to process foreign companies' crude oil because they mainly considered their own interests. The absurd thing, Ivan Vasilev noted, is that we are principal stockholders in these two commercial associations, yet are unable to control them. For example, Neftoimpeks owes Neftokhim dividends in excess of 260 million dollars, but claims that it has no funds to pay them, while at the same time it is concealing its own huge profits.

Ivan Vasilev said that the former Board of Directors signed offers for importing petroleum, but the general director sifted out the most profitable ones and proposed that they should be discussed. In fact Peycho Ivanov (now the ex-chief of the combine) was in on the negotiations at the start and at the end, claims the KNSB trade union chief. Ivan Vasilev added: Ivanov is spreading the lie that my cousin has a petroleum importing company, and for this reason I was trying to take over the combine. It is true, he said, that my cousin owns a company, but it deals with chicken breeding.

Vasilev said that of the members of the government, only Docent Stoyan Aleksandrov, chief of the Finance Ministry's Taxation Department, has a principled attitude toward Neftokhim. He alleged that Matey Mateev, former chairman of the Neftokhim Board and a former deputy minister under Ivan Pushkarov, insisted that Neftokhim's foreign currency and leva bank accounts should be transferred from the Biokhim Bank to the First Private Bank because his sister-in-law was chairman of the latter bank's Supervisory Council.

The KNSB members have sent a protest letter to the Burgas oblast administrator and to the mayor of Burgas, but so far have received no reply. Nevertheless, the truth is bound to come out in the end.

Defense Minister Comments on Dividing Army

AU2707185992 Prague CSTK in English 1427 GMT 23 Jul 92

[Text] Prague July 23 (CSTK)—Even if the Czechoslovak military splits in two there should still be a joint command—"the path to successful defense", according to Federal Defense Minister Imrich Andrejcak.

Andrejcak told journalists today that any division of the Czechoslovak Army must take place in a way that allows it at any moment to be stopped and restored to a unified system.

Until the combat and operational readiness of the Czech and Slovak Republic Armies is ensured, the Army feels obligated to maintain a united command, he said, adding that the Federal Government and Republic premiers feel the same.

"I have not met with the opinion that it is necessary to break apart the Army in order to find a new form of coexistence", Andrejcak stated.

He said he did not think Czechoslovakia needed a "home guard", analogous to the United States' National Guard.

[Prague TELEGRAF in Czech on 24 July on page 2 in a similar report adds: "Slovakia is said to have inadequate air defense, and therefore transfers of air forces to Slovakia will be recommended. The minister refused to answer the question of how much time would be needed to divide the Army.

In the Czech Republic, 20 percent officers and 23 percent of the warrant officers are Slovak nationality, while 15.6 percent of the officers and 28 percent of the warrant officers of Czech nationality are stationed in Slovakia. The Czechoslovak Army officer corps is composed of 62 percent Czech soldiers and 34 percent Slovak soldiers."]

Foreign Minister Discusses Future of EC Treaty

LD2807161592 Prague CSTK in English 1447 GMT 28 Jul 92

[Text] Prague July 28 (CSTK)—Czechoslovak Foreign Minister Jozef Moravcik today said that in case of Czechoslovakia's breakup, the successor republics (Czech and Slovak) will have to renegotiate their association agreements with the European Community (EC).

Speaking with CSTK after his meeting with the heads of the missions of the EC countries and the EC Commission in Czechoslovakia, Moravcik said the agreement will remain unchanged if the process of the state's disintegration is halted at a certain level, with the rate of integration between the Czech and Slovak republics preserved to at least such extent as between the EC members.

Czechoslovakia's association agreement with the EC was signed December 16, 1992, and ratified by the Czechoslovak Federal Assembly (Parliament) April 22. It is due to take effect at the beginning of 1993 but has not yet been ratified by all EC members.

Provided that two new association agreements have to be negotiated, the quotas for exports to the EC would have to be divided, Moravcik said, adding that leading EC representatives have already indicated that "in such a case we (Czechoslovakia) cannot reckon with as advantageous quotas as they are at present".

Moravcik said that EC officials stated they would accept any democratic development of talks on Czechoslovakia's future constitutional arrangement. He added that he asked for EC experts to participate in the work of the Czech and Slovak parliaments' commissions dealing with the country's state setup, and met with positive response.

Democratic Union Blames HZDS for Breakup

AU2907141892 Prague CSTK in English 1303 GMT 27 Jul 92

[Text] Bratislava—Responsibility for the end of the (Czechoslovak) state rests with the HZDS [Movement For a Democratic Slovakia], Helena Wolekova, the first deputy chairman of the Civic Democratic Union (ODU), today told a press conference.

She said the ODU expects the Slovak Government to quickly work out a scenario for the division of the state and to adjust its programme to this. The ODU also expects the government to inform citizens on the impacts of the state's division.

The Slovak Government decision to cancel the privatisation of Slovakia's biggest printing enterprise Danubiaprint is generally conceived as nationalisation, Civic Democratic Union (ODU) Executive Committee Member Peter Tatar today told journalists.

ODU representatives said this step can jeopardise the publication of newspapers as it means the state's interference in the mass media sphere.

Ministers Agree on Division of Powers

AU2707185692 Prague CSTK in English 2005 GMT 23 Jul 92

[Text] Prague—The Czech minister of industry, trade and tourism, and the Czech Minister for Economics, Vladimir Dlouhy and Karel Dyba, respectively, today agreed on power-sharing between their ministries.

The Ministry of Industry, Trade and Tourism will take on all the powers of the former Ministry of Trade and Tourism, and will deal with questions of energy, fuels, and raw materials.

The Economics Ministry will be concerned with small businesses, housing policy, communications and transport.

It is envisaged that further activities, especially the formulation of foreign trade policy, relations to international institutions, and others will be gradually taken over by the Ministry of Industry and Trade.

Czech Government Economic Commission Abolished

LD2907091192 Prague Stanice Ceskoslovensko Radio Network in Czech 0700 GMT 29 Jul 92

[Text] As Jiri Skalicky, Czech minister for administration of national property and its privatization, said on 28 July after talks which Czech ministers responsible for the economy held with Prime Minister Vaclav Klaus, the Economic Council of the Czech Government, in its old concept is being abolished. Jiri Skalicky also said that privatization projects which used to be approved by the government and used to be discussed in its Economic Council will from now be discussed by the so-called Government Privatization Commission [Vladni privatizacni komise].

Slovak Government Approves Draft Constitution

LD2807173692 Prague CSTK in English 1649 GMT 28 Jul 92

[Text] Bratislava July 28 (CSTK)—The Slovak Government today approved a draft Constitution of the Slovak Republic which should be approved by the Slovak National Council (Parliament) in the second half of August, Slovak Deputy Premier Roman Kovac told journalists today.

He said the article allowing for the state's interference in price setting was left out from the draft. The state ownership of cultural heritage will be settled by a special law, Kovac said.

The Government amended the article concerning ethnic minorities by a provision granting them the right to their own official language, Kovac said.

After the declaration of Slovakia's independence in the Slovak Parliament on July 17, the adoption of a Slovak Constitution is another step on Slovakia's road towards sovereignty as envisaged by the programme of Vladimir Meciar's HZDS [Movement for a Democratic Slovakia], the winner in the June 5-6 general elections in Slovakia.

A new Constitution of the Czech Republic is now being worked out.

Slovak Deputy Prime Minister on Constitution

LD2807154292 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 28 Jul 92

[Interview with Roman Kovac, first deputy prime minister of the Slovak Government, by correspondent Michal Tvarozek in the Slovak Government building on 28 July—recorded]

[Text] [Tvarozek] There are 12 points on the agenda including for example the draft customs bill, the draft method of coordination of solving problems when liquidating the nuclear power station A1, the draft bill which changes and amends the criminal code, and so on. Despite this full agenda, at the moment the government has not gone beyond the first point which is the draft constitution of the Slovak Republic. During the recent break, several government members said that there are no fundamental differences in the discussion of this draft, they are simply finalizing some details. This was also confirmed by Roman Kovac, first deputy prime minister of the government, who gave us an interview.

[Kovac] At its second session, the government is in fact returning to the draft constitution and is making its wording precise, because we presented it to the Slovak National Council for evaluation by the deputies in a very short space of time. We are now specifying the final wording which will be put forward, and at the same time we are clarifying some important points. I think one of the most important ones is the method of defining what is exclusively state property. This will most probably be a new paragraph which will appear in the constitution. It will be defined so that minerals, waterways, water resources, and medicinal springs will fall under the exclusive ownership of the state. I think it is very important that we should define precisely this matter. Naturally, we are going through point by point, paragraph by paragraph, and we are specifying some questions of terminology. We are specifying some paragraph wordings, some wording of sections. I think we will complete this work today and after legislative adjustment of these points which are being made at the moment by individual ministers, the new wording of the constitution will be sufficiently prepared so that we will be able to put it to the deputies.

[Tvarozek] It has been said that it is a very authoritative or rather authoritarian constitution which strengthens the powers of the government?

[Kovac] I don't think so. I think that the constitution is a constitution which definitely fulfills the character of a constitution of a democratic state founded on a pluralist democracy, based on a market economy. Some of the amendments which were aimed at strengthening the character of the market economy in our state came up in today's discussion. For example, we left out an article which spoke of the possibility of state intervention in the creation of prices, which we consider as exceptionally important because in this way we are in fact showing that the state ceases to be some kind of protectionist organization, but at the same time we uphold the fact that the Slovak Republic will be a state which is based on a sociologically ecologically orientated market economy.

[Tvarozek] On 27 July, at the meeting of prime ministers of parliaments, there was talk that the Czech side did not come along with its own draft national constitution. Will this not cause problems for adopting the constitutions at the same time? What I mean is do we not have to wait

now until the whole process takes place in the Czech National Council, in the Czech Government?

[Kovac] Yes, the draft Czech Constitution was prepared but so many amendments were suggested at the session of the Czech Government that it was returned for complete revision. The Czech side has at its disposal the draft Slovak Constitution. I think that the commissions which have be entrusted with the creation of the constitution of the Czech Republic by the Czech Government, that these commissions will very seriously consider the notes by the Czech Government and their work is very quick. In effect, by the middle of this week there should be another proposed Czech Constitution ready so that I think there may not be slippage in the timetable.

[Tvarozek] Do you expect these two constitutions to be in harmony with regard the fact that there are two commissions, that there will not be a point or a paragraph which will substantially change the meaning on the one side with regard to the meaning on the other?

[Kovac] I am of the opinion that such fundamental differences will not occur. It is possible that there will be differences in some details such as for example the question of the election of the president and others. There could be a different situation in the Czech constitution and different wording in the Czech constitution compared with the Slovak one, but I think that there will not be large fundamental differences between the two constitutions.

[Tvarozek] What is the opinion of the Slovak Government on a subject which is under considerable discussion at the moment, that is the moment at which the Federal Constitution will cease to be valid?

[Kovac] Well, we are united in the view that when the Slovak constitution is created it will secure constitutional law on the territory of the Slovak Republic as far as the organs of the Slovak Republic are concerned. I think that from the very beginning this idea has been clear to everybody and it is in fact fulfilled by interim measures which it appears are the most open question so far. We leave this to be decided by deputies of the Slovak National Council because precisely these final measures speak of further evaluation of the federal laws on the territory of the Slovak Republic and certain parts of the Federal Constitution. This means that this will have to be decided by the deputies. A proposal has been prepared which is so far quite wide, it deals in a wide sense with this issue, we may get to some alternative proposals.

[Tvarozek] Those who to a certain extent oppose the sense of our constitution speak of the fact that the parliament, the Slovak National Council, is to a certain extent subordinate to the government—for example, the government may call a session of parliament and so on?

[Kovac] No, certainly not, I think that this constitution fulfills the character of a state which is governed by a parliamentary democracy. That means that the parliament has a very strong position in this constitution and the constitution is in fact a picture of parliamentary democracy.

Democratic Left Rejects Support for HZDS

AU2807174192 Prague CSTK in English 1654 GMT 21 Jul 92

[Text] Bratislava—The party of the Democratic Left [SDL] Chairman Petr Weiss today told CSTK that "the SDL will not dance to the For a Democratic Slovakia Movement [HZDS] tune".

He said the key to the constitutional settlement of the current crisis lies in the hands of the Federal Assembly (parliament). "The Federal Parliament is not redundant body but a lack of political will prevents it from mediating in the resolution of the state setup issue", Weiss said.

SDL Deputy Chairman Pavol Kanis told CSTK the HZDS (having initiated the adoption by the Slovak Parliament of the declaration on Slovakia's sovereignty) has preferred national interests to economic and political ones. He said that Slovakia will have to pay for its emancipation process and people must be told what the cost will be.

German Foreign Minister Arrives for 2-Day Visit

LD2907102292 Warsaw PAP in English 0929 GMT 29 Jul 92

[Text] Warsaw, July 29—German Foreign Minister Klaus Kinkel arrived in Warsaw on Wednesday [29 July] morning for a two-day visit to discuss the development of relations between Poland and Germany.

Kinkel, invited by Foreign Minister Krzysztof Skubiszewski, will sign an agreement on border cooperation. He will meet Prime Minister Hanna Suchocka, President Lech Walesa, the speakers of the Sejm and the Senate as well as representatives of the German minority today.

Meets With Skubiszewski

LD2907111892 Hamburg DPA in German 1038 GMT 29 Jul 92

[Text] Warsaw (DPA)—German Foreign Minister Klaus Kinkel has discussed possibilities for closer cooperation between Germany and Poland in various areas with his Polish counterpart Krzysztof Skubiszewski in Warsaw today. Kinkel, who is paying a two-day visit to Poland, assured journalists that his visit is "not a routine trip but an expression of the special German-Polish relationship." That is why he is visiting Warsaw relatively soon after taking office.

Both sides were interested in "implementing and putting into practice what has been legally agreed between us." They have already made progress in the first round of talks, he said. The topics covered include minorities and combating crime. Polish Foreign Minister Skubiszewski emphasized Poland's interest in investment by German companies.

This afternoon Kinkel intends to sign several agreements to facilitate processing at the border. He is also scheduled to hold talks with the new Polish prime minister, Hanna Suchocka, and with State President Lech Walesa.

The fact that Poland is the first Central and East European country that Kinkel is visiting is seen in Warsaw as a sign of the great importance that Bonn accords the relationship with its eastern neighbor.

Shortly after his arrival, Kinkel laid a wreath at the tomb of the unknown soldier in Warsaw. Tomorrow he is to visit the former concentration camp at Auschwitz.

Council of Ministers Discusses State Budget

LD2807185792 Warsaw PAP in English 1731 GMT 28 Jul 92

[Text] Warsaw, July 28—By the middle of this year the state budget was implemented in a mere 39 per cent, Deputy Prime Minister Henryk Goryszewski told the Council of Ministers on Tuesday [28 July]. Goryszewski warned that by the end of the year the deficit may amount to 95-100 trillion zlotys (nearly 7 billion dollars), that is 8-9 per cent of gross domestic product (GDP).

The implementation of the 1992 budget becomes doubtful mainly due to the much lower than planned economic indices achieved in the first half of the year, and above all lower budget revenues from the turnover tax and privatization. In order to achieve the planned 5-per cent deficit the government must rigorously observe the timetable of rises envisaged in the budget and apply tougher measures in the customs and tax systems.

A detailed analysis of the state of economy will be presented to the Council of Ministers in mid-August, while the final version of a draft law on mass privatization and national investment funds will be ready within a week.

In view of the expected fall of this year's grain crops by 6.6 million tonnes, the Council of Ministers accepted the minimum intervention procurement prices of 1,350,000 zlotys (some 110 USD) per tonne of wheat and 700,000 zlotys (48 USD) per tonne of rye, with the possibility of a 30-per cent rise, as proposed by the Agromarket Agency. The agency also proposed other measures to counteract inevitable shortage of grain and ensure some stabilization of food prices in the foreseeable future.

The Council of Ministers examined several draft ordinances concerning state enterprises. These regulations will be included in a package of drafts on enterprises that the government is going to consult with trade unions shortly.

Solidarity Leader Protests Energy, Gas Price Hikes

LD2807185292 Warsaw TVP Television First Program Network in Polish 1730 GMT 28 Jul 92

[Text] Solidarity leader Marian Krzaklewski has protested energy and gas price hikes. He said in a letter to Premier Hanna Suchocka that they were introduced without consultations with the union, and they were not mentioned during a meeting between the union leader and the prime minister that was held on the eve of the announcement.

Agreement Reached at Tychy Automobile Factory

LD2907085392 Warsaw Radio Warszawa Network in Polish 0700 GMT 29 Jul 92

[Text] According to unofficial reports, an agreement on pay hikes was reached this morning at 0600 at the compact car factory. It could take effect on 1 August.

Ukrainian Trade Minster Arrives, Meets Counterpart

AU2807181892 Bucharest ROMPRES in English 1336 GMT 28 Jul 92

[Text] Bucharest, ROMPRES, 28/7/1992—On Monday, July 27, Constantin Fota, minister of Trade of Tourism of Romania, received a delegation from Ukraine led by Anatoliy Nikolaevich Voronkov, Minister of External Economic Relations and Trade.

The key target of the visit is the signing of an accord to regulate commercial exchanges and of a protocol on exchanges and payments in 1992.

During a news conference on July 27, Constantin Fota referred to the visit saying that Ukraine placed second among the countries of the former USSR in point of exchanges with Romania (Romanian imports of raw materials and exports of manufactures) and added that an important economic unit for the Romanian steel industry—that is a combine to enrich iron ore—was to be built in the neighbouring country, in Krivoy-Rog.

The respective unit is built with the contribution of several countries (Germany, the Czech and Slovak Republic, Bulgaria, the Russian Federation, Romania, and Ukraine) and the Romanian investment so far stands at roughly 500 million rubles. Before the finalization of operations deliveries worth some 200 million rubles will be made, the total Romanian investment accounting for 26-27 percent of the investment made by all the participating countries.

In exchange, the minister said, Romania will receive, in line with a previously concluded government convention, 35 million tonnes of enriched ore for a period of ten years, which represents a highly important raw materials source for the Romanian economy.

Meets Stolojan, Signs Accord

AU2807182492 Bucharest ROMPRES in English 1626 GMT 28 Jul 92

[Text] Bucharest, ROMPRES, 28/7/1992—Romanian Premier Theodor Stolojan received Tuesday [28 July] afternoon the Ukrainian economic delegation headed by Anatoliy Nikolaevich Voronkov, Minister of Foreign Economic Relations and Trade, now on a visit to Romania.

The talks referred to the ensemble of the economic relations between Romania and Ukraine and evinced the necessity to increase mutually advantageous cooperation.

Also underscored during the interview was the importance of the creation of a new legal framework for economic relations in general and particularly for the cooperation in the building of the Krivoy-Rog combine, in which the Ukrainian government takes a keen interest.

An accord between the Government of Romania and the Government of Ukraine on commercial-economic and technical-scientific cooperation, as well as a protocol between the two governments on goods deliveries and services for 1992 were signed previously in Bucharest on July 28 by Constantin Fota, Romanian Minister of Trade and Tourism, and Anatoliy Nikolaevich Voronkov, Minister of Foreign Economic Relations and Trade of Ukraine. The documents provide the juridical framework for the development of economic and commercial relations among economic agents of the two countries. Discounts and payments are to be made in convertible currencies in keeping with the contracts to be concluded, with the application of world prices. Under this protocol the parties grant one another the most favored nation status.

Discusses Economic Zone

AU2807181692 Bucharest ROMPRES in English 1731 GMT 28 Jul 92

[Text] Bucharest, ROMPRES, 28/7/1992—Romanian Foreign Minister Adrian Nastase met on Tuesday, July 28 with the Minister of Foreign Economic Relations and Trade of Ukraine Anatoly Nikolaevich Voronkov and with the Ukrainian Minister of Investment and Construction Volodymyr Z. Borysovskyy, now on a visit to Romania.

During the interview information was exchanged on possibilities to develop the relations between Romania and Ukraine in the economic, political, cultural, scientific, and other domains of mutual interest.

The two countries' readiness was also highlighted of cooperating with one another and with other states in establishing the Black Sea economic cooperation zone, the complex cooperation project of the Danubian countries initiated by Romania, as well as other regional and subregional cooperation projects in Europe.

Stolojan Receives French Secretary of State

AU2807185092 Bucharest ROMPRES in English 1342 GMT 28 Jul 92

[Text] Bucharest, ROMPRES, 28/7/1992—The ties between Romania and France were reviewed on the occasion of the interview the Romanian Premier, Theodor Stolojan, had Tuesday, July 28, with Jean Pierre Sueur, Secretary of State and head of the Department for Local Communities of the Ministry of the Interior of France.

It was mentioned on the occasion that excellent ties were developed between the two countries on an economic and political plane, including the modernisation of the local public administration, for which Romania is substantially backed by French specialists.

During the interview, the guest asked the Romanian premier to hand over to President Ion Iliescu a message from the French President, Francois Mitterrand.

Attending were Doru Viorel Ursu and Mircea Teodor Vaida, Secretaries of State at the Department for Local Public Administration as well as Renault Vignal, France's ambassador in Bucharest.

An agreement between the French Ministry of the Interior and the Romanian Department for Local Public Administration on the training of the Romanian staff to be employed in the system of local administration, organised on a democratic basis was signed today by Doru Viorel Ursu and Mircea Teodor Vaida, and Jean Pierre Sueur.

The agreement stipulates, among other things, the organisation in Romania by the French party of short seminars for the newly elected councillors and mayors and training programmes for Romanian specialists in France, the granting of long-term assistance for the improvement of the system of training councillors, mayors and specialists; special courses for Romanian experts in local public administration.

The agreement mentions that a protocol will be concluded every year to complement the arrangement.

The signing ceremony was attended by Renault Vignal, the French ambassador in Bucharest and Crin Halaicu, Bucharest's General Mayor.

Prime Minister Discusses Elections, Economy

AU2407164192 Bucharest Radio Romania Network in Romanian 0859 GMT 24 Jul 92

[Statement by Prime Minister Theodor Stolojan at news conference in Victoria Palace in Bucharest on 24 July—live]

[Excerpts] I apologize that we could not meet for such a long time, but it was done purposely to allow people who are participating in the electoral campaign to have enough space and time in mass media for themselves, without having to continuously bump into other people who are not going to run in the coming elections.

The first thing that I would like to pinpoint is that in the 25 July issue, MONITORUL OFICIAL will carry the bill concerning the date of the parliamentary and presidential elections, which is 27 September. The government's decision concerning the electoral campaign schedule will also be published tomorrow. According to that decision, the electoral campaign is to officially begin on 25 July. I will not go into further details concerning that issue because during the news conference planned for 1200 on 27 July, the experts who have elaborated on that decision and who are expected to ensure the free character of the elections in Romania and other such necessary circumstances will be there to answer all of your questions.

Nevertheless, before I close on this issue, I would like to emphasize that we cannot afford to fail in this important political moment of 1992 and that responsibility not to fail lies not only with the government, but also with each Romanian citizen, all political parties, trade unions, and with all institutions of political power in Romania. As a matter of fact, I would like to address an appeal to everyone not to fail because the installment of political stability, the way out of this provisional situation, and the establishment of far better circumstances for the relaunching of the economy all depend on that. [passage omitted]

The results obtained over the first half-year of the economy—which you all know and which were mentioned by the Economy and Finance Minister yesterday—can in no way make us smile in contentment. On the other hand, we cannot consider them a tragedy either. Available information and figures show that our economy has set out on the right course. Of course, there are immense difficulties, but that is another matter. [passage omitted]

Industrial production has dropped by 19.5 percent as compared to the same period last year, but our exports have gone up by 21 percent. That is an exceptional result—in the proper sense of the word—meaning that we think that the mechanism introduced by us in order to boost exports has started to yield results. [passage omitted]

We have evaluated the agricultural situation and found that there has been zero growth in that branch. [passage omitted]

I would also like to tell you that in spite of all that is being published by mass media—which is right to mainly criticize negative aspects, so that we can correct them—this year's relation between earnings and prices in Romania has been held within stability parameters—the situation is actually getting better in that field. No one can deny that. [passage omitted]

The whole world—and I mean East and West European countries—have become fully aware of the fact that economic restructuring in Eastern Europe is a long process. [passage omitted]

By continuing to implement reform in Romania—a process that has never stopped, not even for a moment—the government had to get involved in a decisive way in a number of processes. For instance, in agriculture, as you well know, we will in no way accept, under any circumstances, not to have the minimal amount of fields sown with wheat next autumn so that we can stop all wheat imports starting with the harvest in 1993. If need be, we will consider it a priority to allocate the necessary material resources to do that, since financial resources have already been ensured. [passage omitted]

We want the next cabinet to inherit a much better situation in energy stocks for the winter. We want to prevent that cabinet, which will probably enter office sometime in November, from having to face a similar situation like the one the current cabinet had to deal with—namely, that it had to find immediate solutions to the energy shortage or plummet into a totally chaotic

situation in the winter. I can tell you that currently the situation in all energy stocks—I mean coal, natural gas, and even water for hydroelectric power plants—is better than it was last year, with the exception of one energy source—namely, fuel oil—where the situation is better than it was last year, but this "better" actually means worse. [as heard] I mean, the situation is slightly better than last year, but we have a program which we are stubbornly pursuing, if I may say so, and I can tell you that until now we have ensured half of the necessary fuel oil stocks.

As I have stated before, if this country wants to have political freedom, it cannot obtain it without first ensuring economic freedom for itself. Political freedom presupposes economic freedom. Romania's economic freedom depends on opening the country and integrating it within international circuits, and international economic exchange. This means that currently no economic problem can be more important to Romania than increasing the country's ability to generate hard currency income. That should not be done—as it used to be done in the past ten years—with the purpose of repaying that immense foreign debt back at that quick pace, but rather with the purpose of importing essential things for this country. Without those imports, neither the restructuring of the industry, nor other economic processes are conceivable. [passage omitted]

Unfortunately, the government also has to focus its attention on importing wheat and sugar, as well as other products, which I will not speak about now.

Another problem we are currently concerned with—and which proved to have negative effects on our economy—is the much discussed phenomenon of financial blockage. [passage omitted]

Financial blockage was neither generated by the Petre Roman cabinet, nor by the Stolojan cabinet. Financial blockage is the typical manner in which socialist economy moves because it lacks financial discipline. Companies that cannot survive have to exit the arena, but they did not do so in that socialist economy. If one asked any banking expert such a harmless question as how many financial blockages he experienced before 1989, one would certainly be told that it used to be a periodically recurring phenomenon during all those years. [passage omitted]

Currently, the government has to make a very important decision concerning an important issue for our national economy and, generally, for society. Everyone here knows that state subsidies are to be further cut by 15 percent as of 1 September. That is not a big problem because we have the necessary mechanisms, we know all the consequences, and we will grant compensations. We might even grant compensations before that date, so that the population should not have to live through the critical time lag, considering that the 27 September election is an important political moment and an absolute priority which may not be missed. At the same time, we cannot renounce this second step of cutting state subsidies, which is a part of the economic reform because that would mean that the future cabinet would have to do it. Some people said: Let us do it after elections, on 1 October or 1 November, and let the future cabinet take the blame for it. Well, I am unable to do such a thing.

That issue is widely known. But there is yet another one, which is still not being perceived as an economic problem—namely, that we have not reestablished one of the balances that is essential in any market economy: the balance between hard currency demand and supply. Buying and selling hard currency has been done by means of the old methods, which you all know well and which are continuously being criticized. We have not managed to introduce a market economy instrument that could help us solve the selling and buying of that unconventional merchandise. We were supposed to achieve that balance at the beginning of this year, until February or March at the latest. Had we managed that, the hard currency exchange rate level might have looked different now. [passage omitted]

The decision which the government has to take during the next days is how to connect the hard currency exchange rate which emerged on our financial market to the millions of other economic variables, such as prices, salaries, and so on. [passage omitted]

It is not the government's opinion—it is my own—but I think that this economic chess game should be played to the very end, irrespective of the fact whether the current political moment is appropriate or not. But we will talk about that next week. Whether the current exchange rate is exaggeratedly high—that is another matter. I only wanted to draw your attention to the fact that we have to deal with that problem. I have to tell you that dollars are a very rare merchandise in today's Romania, and therefore we have to pay for it whatever price they are asking. [passage omitted]

Once state property funds are set up and start functioning, we think that we can trigger two essential processes: The first one is the beginning of the privatization of the small companies—by selling them to the groups of people who are currently employed by them—whereas privatization of the large companies is going to be a longer process. The second essential process we could trigger—and that should be a priority target for those funds—is to set up a connecting mechanism among property certificates and the stock exchange shares that will be put on market during the process of privatization or even during the time capital is being increased.

Those are the two main priorities that State Property Funds have to observe in the near future.

Once our citizens can begin dealing with their property certificates at a price that is officially published, buying shares of certain companies—not Ursus, because that company is going to be privatized before the setting up of

the property funds—it is quite obvious that those citizens will have the possibility to concretely choose the company he likes, to invest in it, and so on.

I thank you for your attention.

Question and Answer Session

AU2507183492

[Editorial Report] Bucharest Radio Romania Network in Romanian at 0859 GMT on 24 July carries a live relay of a news conference by Prime Minister Theodor Stolojan from Bucharest's Victoria Palace. Before answering questions, Stolojan makes a 46-minute introductory statement on election, economic, and other issues.

The two hour 16-minute question-and-answer session begins at 0946 GMT with Stolojan answering a question about the management contract, export issues, and bankruptcy law. Regarding exports, he says that, "unfortunately, these exports do not exist," the "mechanisms that used to ensure exports in the past no longer exist," because they "collapsed immediately after the revolution in December 1989."

Asked about free and correct elections, Stolojan emphasizes that "the Romanians, namely we, the citizens of this country, have to have the chance to vote freely; but we have to accept the election returns, because if we do not accept them then we will have to spend another four years of what we have experienced so far. For, unfortunately, this seems to be the tendency; democracy, fair enough, but if he is not my man, then the elections were not free and correct."

After discussing issues linked to the convertibility of the national currency—the leu—Stolojan answers a question on the jobless, whom he divides into three groups and assesses at "600,000 people, that is approximately 6 percent of the active labor force." He also stresses that unemployment is actually "not increasing as expected and this is reason for being pleased."

Regarding the recent replacement of prefects in Harghita and Covasna, Stolojan says that "once again this problem is very clear proof of what one calls the progress of the state of law in Romania" and "the slower rate of adjusting the norms of the state of law in Romania and the democratic processes in Romania." He continues by saying that "what is not understood is the fact that a year ago the prefect in any county—not only in Covasna and Harghita—was not only acting as prefect but also as mayor and president of the county council, that is he also replaced the bodies exercising local autonomy in the counties. Certainly, last year prefects were nominated under different circumstances. Meantime, I want to remind all of you that Romania now has a Constitution and several laws on the organization of the state power institutions in Romania. In accordance with the Constitution, local autonomy is exercised by the mayors and councils." He adds that "this local autonomy is exercised in all counties in our country in accordance with the provisions of the Constitution and the election returns in the given counties," and that "the government alone—and no one else—is the one to appoint prefects." Stolojan emphasizes that "Romania's government is duty-bound to exercise its authority on each square centimeter on Romanian territory."

Answering a question by the MAGYAR SZO representative about whether he thinks that a "Hungarian prefect would not be loyal to Romania," and whether "the appointment of the two new prefects will create new tension in Harghita and Covasna Counties," Stolojan says: "I do not think that a Hungarian prefect cannot be loyal to Romania; the problem is that the Romanian Government has to nominate prefects, and the Romanian Government made this decision. Prefects are not negotiable. I do not want to hide the fact that, given the situation of the current government, I held consultations with the political bodies in those counties to see how they view things, but the decision made by Romania's Government is not negotiable; it is a decision in accordance with the Constitution. It is possible for us to appoint prefects from here, from Bucharest, in certain counties."

Asked by the same representative whether he will go to the two counties "for talks and the settlement of this problem," Stolojan says that "I will think about it; I have not yet made any decision. I want the government to examine the appeal next Wednesday [29 July], and we will see what is to be done."

Answering a question about whether he would accept another mandate as prime minister, Stolojan says that "I should not accept it," because "we have entered a new world in which all of us are learning," and "in this process," there are "numerous solutions," but it is difficult, thus "we have to have people who are politically backed by a parliament." He adds that he is "convinced that our successors will learn quite quickly that freedom is a limited freedom when it comes to decisions." He stresses that one has "to bear in mind constraints and have clear objectives," and that "life actually does not let you make too many mistakes."

Stolojan continues by saying that "change is an educational process in the positive sense of the word. Governments will change, while the process of changing the Romanian economy is a process that will take years and years," a process that "requires patience."

After discussing fiscal evasion issues and toxic waste storage by stressing that efforts have to be made "to stop such phenomena," Stolojan again answers a question about the "opportuneness" of changing the prefects in Harghita and Covasna Counties. He stresses that "even if there were any pressure, I cannot tell you that the government has made this decision under pressure; this is not something it should do, although sometimes there is pressure, and we have to make decisions by bearing such pressure in mind. He adds: "I am glad that you do

not question the lawfulness of this decision; as for the opportuneness, of course, things can be discussed any time. Once again I have to say that this government is going to act until 27 September, thus any decision can be reassessed, especially if, for instance, the UDMR as a political party that is backed by, let's say, 6 percent of the electorate, will be part of the future government. Then this decision and its opportuneness can be reexamined."

Regarding a question about possible election fraud, Stolojan says that "I am not afraid of electoral fraud" and "I exclude the idea of electoral fraud from the very beginning."

Answering a question about interest rates and financial blockage, Stolojan points out that "inflation in the first six months amounts to 80 percent," and that the "15 percent interest rate" that is being applied now "may be cut back." After theorizing about the investment policy during the dictatorship compared with the current system, he stresses that "in certain sectors we practice a lower interest rate policy, which means that someone is actually paying subsidies," as is the case, "in agriculture."

Asked about the "problems of the Army during the transition period," a body which "like the whole society is going through a reform," which means "adequate restructuring at all levels, including the leadership level," Stolojan says that "I know that many people in Romania today are interested in who is appointing whom to what position. I have not thought about this affair of military command and the problem of reform. I have thought of the fact that the Romanian Army was trapped within a system called the Warsaw Pact, which has disappeared, and of the fact that the Romanian Army was organized and was included in a structure and concept that was generated, to a certain extent, by the Warsaw Pact." He continues by saying that "in accordance with our socialist theories, this pact has not disappeared; it is looking for a new subject of activity. This is one element. Second, new phenomena have taken place around us, including in the Dniester region and Yugoslavia. At the same time," we have to bear in mind the "potential of our economy at this time. The Army had certain concepts based very much on its own efforts—equipment and so forth." While "the capacity of the Romanian Army's self-equipment as a potential exists, we lack the effort, and this is not something that happened one or a couple of years ago; it is something that will continue for some years. Consequently, given all these problems, the Army is faced with a number of requirements, including the response to various threats—the possibility and form of response—hence the need for a certain restructuring of the Army."

After a 10-minute musical interval because of a technical failure in the radio link with Victoria Hall, the live relay is resumed with Stolojan answering a question about "recent developments in the Republic of Moldova and possible consequences on the process of intensifying Romanian-Romanian fraternal relations." In this context, Stolojan says that "I want to repeat that from the very beginning of the Moldovan Prime Minister's nomination I had good contacts with him, and when their government was set up, we—as you know—or rather the goal of each minister in Romania's Government is to constantly have a dialogue with the respective Moldovan counterpart, so that we are able to implement our programs. We have an interministerial committee for this purpose. During the talk I held with the Moldovan prime minister, I was told that he will also set up such a committee to be able to better cooperate with us. Thus, for the time being, there is nothing new."

In answer to a question about "signs of improving Hungarian-Romanian relations, following" the Foreign Ministry's "Theodor Melescanu's visit to Budapest," Stolojan says that "generally speaking, I personally do not react to political pressure." He then asks the reporter "what was the decision made by Prime Minister Stolojan and the Stolojan government on the local elections in Tirgu Mures where—and this is the first public mention of it—I was subjected to incredible pressure to do what? To permit only Romanian candidates to run in the local election in Tirgu Mures. I want to tell you that it is to my merit and not anybody else's that free and correct elections were held in Turgu Mures with both Romanian candidates and candidates of Hungarian origin running and the result is known."

Stolojan continues by stressing that "my correctness in applying the law in Romania and in abiding by what I said about minorities cannot be doubted and the obvious proof that cannot be denied by any citizen of Hungarian origin or by any party, including the Democratic Union of Hungarians in Romanian"—UDMR—"is how was it possible to hold local elections in Tirgu Mures. I do not want to dwell further on this subject, I only want to say that the government made a responsible decision by examining what you said and the effects such a decision may have."

After answering a question about housing problems and privatization issues, Stolojan says in connection with a possible government reshuffling before 27 September that "as far as [Interior Minister] Mr. Babiuc is concerned, if tomorrow he was appointed as presidential candidate, I do not think that dismissing him would be the right method, on the contrary, he should be relieved of his position of minister of interior and another official from the Ministry of Interior should be appointed for the given period." As for "a government reshuffling, my criterion, my only criterion of reasoning is to give priority to political objectives, that is the 27 September elections. Thus, I will judge any proposal that is made about a reshuffling on the basis of this criterion. Does it help me achieve the objective I propose to achieve or not? A current assessment of the situation proves that such a reshuffling does not help me achieve my goals, because one of the risks for not achieving the objective of 27 September is exactly a dissolution of the government. I do not think I have to tell you what it would mean at

this time not to have a government. I have to tell you that some applications for resignation have been tendered. I tried to understand them" and "I tried to help the given persons to overcome certain problems."

Answering a question on oil price issues and economic reform, Stolojan says that the answer "would take too long," but that "any decision made by the government in the economic area is part and parcel of the program which was worked out with the contribution of some 1,000 participants—economists and professors." He continues by saying that "we have not always been able to ensure the right theoretical succession" and "correct pace among various sectors of this economic and institutional complex."

In answer to a question about subsidies, Stolojan says that "I think that the Romanian population no longer believes that it is possible to live like we did in the past." In this context, he says that "there are no magic solutions nor are there easy results without efforts."

To a question about an "unofficial blockage on behalf of the World Bank," Stolojan says that "on the contrary, the World Bank is the institution that has been present in Romania from the very first moment and that is helping us with many programs, including assistance and loans. As you know, recently a loan for structural adjustment, which backs the reform, was approved, and we have an emergency loan that was approved last year, which, however, is very slow in materializing" because the World Bank wants "this money to be used in an effective" and "competitive way."

To a another question about the change of prefects in Harghita and Covasna Counties, Stolojan says that "the government will examine this problem, but I do not understand the problem with the protest, because once again I want to stress that the People's Council bodies there and the mayors were elected by ballot and the great majority of them are of Hungarian origin, in accordance with the population there." There "is not a reason for any boycott, because the prefects' offices have different duties; their duty is to see to the observance of the law." He continues by stressing that "the government is the chief of prefects in the country; there is not other relationship between the prefects and the government. The prefect no longer holds the position of mayor."

The news conference ends with Stolojan answering a question about ensuring the presence of Reform Minister Adrian Severin at a Senate plenary session to explain the stage of the privatization process in Romania. In this context, Stolojan explains that he was informed that Adrian Severin had attended the Senate session and had answered questions linked to the privatization process.

Silajdzic: Bosnia Has 'Right to Protection'

AU2907081992 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1700 GMT 28 Jul 92

[Adamir Jerkovic report from London]

[Text] Foreign Minister Dr. Haris Silajdzic held a news conference in London today at which, the BBC reports, he opposed any sort of division of Bosnia-Hercegovina, saying that such borders would be drawn in blood.

He dedicated most of his talk to the accusations of the Serbian Democratic Party for the aggression that, he said, had claimed thousands of casualties and caused suffering among the innocent population. After the news conference, Dr. Silajdzic gave an interview for BBC radio. Asked what he expects of the conference he replied: I expect that we will work on the implementation of the agreement, that the weapons in Bosnia-Hercegovina will be placed under control, and that the torture and killing of the civilian population in Bosnia-Hercegovina will finally stop.

To a reporter's remark that the UN has indicated it does not have sufficient resources and possibilities to take control of heavy arms, our foreign minister, Dr. Silajdzic replied: I agree with Mr. Butrus-Ghali [UN Secretary General] that he is not able to do this, that he does not have sufficient capacity. However, there are other organizations that are willing to do it under UN patronage. Here Silajdzic mentioned NATO and the Western European Union. In the interview, he explained further the proposal that he had presented at the news conference, namely, that observers be deployed on the borders with Serbia and Montenegro. He said that this task should be carried out by the UN, as this at least does not require great forces. These observers would control [words indistinct] infiltration of fresh forces and weapons from Serbia and Montenegro to Bosnia-Hercegovina.

Asked by a correspondent whether the future constitutional form of Bosnia-Hercegovina was also discussed at the London talks, Silajdzic categorically replied that it was not, but that they discussed the implementation of the earlier agreements, as he said. It is perfectly clear, Mr. Silajdzic said, that there can be no talks in an atmosphere of pressure, blackmail, killing, deportations, and concentration camps. Talks in such circumstances are no talks.

Asked whether Bosnia-Hercegovina is still hoping for a military intervention, Silajdzic answered that Bosnia-Hercegovina has a right to protection according to Chapter 7, Article 42 of the UN Charter. Once all diplomatic possibilities are exhausted, force may be applied, and in our case it must be applied because of the catastrophe that has befallen us. If this does not happen the principles would be violated, Silajdzic believes, and Bosnia-Hercegovina would be left at the mercy of a great [military] force.

A document of the Bosnia-Hercegovina state commission listing 57 prisons and concentration camps that are controlled by the aggressor where some 100,000 people are being detained was distributed at the news conference. It was added that the list was not the final one.

TANJUG Reports Breakdown in London Talks

LD2807230592 Belgrade TANJUG in English 2211 GMT 28 Jul 92

[Text] London, July 28 (TANJUG)—Indirect talks of the three warring factions in the former Yugoslav Republic of Bosnia-Hercegovina are reported on Tuesday [28 July] evening to have broken down completely.

Bosnia-Hercegovina Foreign Minister Haris Silajdzic once again refused to negotiate, and only read out to Portuguese diplomat Jose Cutileiro a letter from Moslem leader Alija Izetbegovic on the situation in Bosnia-Hercegovina.

Silajdzic also turned down a proposal for talks on the cantonization of Bosnia-Hercegovina submitted on behalf of the European Community by Cutileiro. The proposal was accepted by Radovan Karadzic for the Serb side and Mato Boban for the Croats.

Silajdzic said at a news conference that a cantonization of Bosnia-Hercegovina could only take place in a sea of blood. He claimed that a column of 100 Army tanks had set out from Valjevo in north-western Serbia towards Brcko, in northern Bosnia.

Karadzic reacted at once, inviting Silajdzic to meet him directly. Karadzic also asked the U.N. to mount an effort to establish beyond any doubt from the air and on land who was persistently violating the truce.

The general staff of the Army of Yugoslavia on Tuesday denied Silajdzic's claims about a movement of armoured units.

Silajdzic is "hell-bent on provoking a foreign military intervention," the Army said, adding that the "tanks of the Army of Yugoslavia on the territory of Yugoslavia and their crews, like all Army personnel, desire peace both in their own country and around it."

Silajdzic is expected to depart from London tomorrow, effectively ending this round of the negotiations. Karadzic and Boban will on Wednesday attempt to reach agreement on ending the fighting in Hercegovina, in particular in the area around Dubrovnik and Trebinje.

This tenth round of the negotiations on Bosnia-Hercegovina was also marked by the total absence of Lord Carrington, who initiated the meeting and invited the three ethnic leaders to London. He is held to have known in advance that no progress would be made and to have avoided taking part in another unsuccessful mission.

The talks held in London on Monday and Tuesday have clearly become pointless, and the Bosnian crisis will

most probably next come up for review at the major international conference on Yugoslavia which will be held in London in the second half of August.

Izetbegovic Discourages Reliance on Intervention

LD2807212592 Belgrade TANJUG Domestic Service in Serbo-Croatian 2011 GMT 28 Jul 92

[Text] Sarajevo, 28 Jul (TANJUG)—Bosnia-Hercegovina and its people will be making a big mistake if they put their faith in international military intervention, which is perhaps possible in some form and with limitations if the hostilities continue, Alija Izetbegovic, president of the Bosnia-Hercegovina Presidency, said on Bosnia-Hercegovina television this evening.

"No one is going to send their soldiers to Bosnia-Hercegovina to die," Izetbegovic said.

"As far as the situation in Sarajevo is concerned," Izetbegovic added, "the armed forces have sufficient combat means for its defense for the time being. However, they are lacking the means for offensive action, so that for the moment, breaking the seige and liberating areas of Sarajevo is not feasible." This will, however, happen shortly, according to Izetbegovic

On the London talks, Izetbegovic said that the people do not understand why the government is responding at all to invitations from the international community to talks. "We have to respond to their invitations," he added, "because our absence would be interpreted wrongly, and the ill-intentioned would accuse us of being in favor of war. Regardless of the talks, we are making the maximum preparations for our defense," Izetbegovic said in conclusion.

Karadzic Views Serbian Position

AU2807115392 Budapest NEPSZABADSAG in Hungarian 24 Jul 92 pp 1,2

[Telephone interview with Radovan Karadzic, president of the Serb Republic of Bosnia-Hercegovina, by Jozsef Szabo in Pale; date not given: "The Leader of the Bosnian Serbs Does Not Expect Foreign Intervention"]

[Text] Radovan Karadzic cannot imagine a foreign military intervention, and he claims that he and his followers do not have any responsibility for the events. He depicts the Serbs as innocent victims and blames the Muslims and Croats in Bosnia for the bloodshed. The president of the Bosnian "Serb Republic" granted a telephone interview to NEPSZABADSAG from his headquarters in Pale.

[Szabo] The Bosnian opposing sides agreed to another cease-fire in London, which again fell to the fate of the former ones. Do your people listen to you?

[Karadzic] The Serbian side listens to me completely. They do not start the shooting. They do not even respond to provocations, only to the more serious actions. On the other hand, the Muslims and Croats are not observing the cease-fire because there is no international pressure on them at all.

[Szabo] How can this be proved?

[Karadzic] We are in full control of our army. The United Nations can also confirm that the Muslims are violating the cease- fire. General MacKenzie himself publicly stated that the Muslims were violating the cease-fire.

[Szabo] Did he also present the evidence?

[Karadzic] He said at a news conference that the Muslims were violating the agreement. They are shooting at their own positions so they can blame the Serbs for the renewed fighting. They have also fired at the UN soldiers stationed in Sarajevo on a number of occasions.

[Szabo] Why would they do that?

[Karadzic] They want to prove that the establishment of peace is impossible without foreign military intervention. They would like a military intervention to take place.

[Szabo] How do the Bosnian Serbs feel about an intervention?

[Karadzic] According to the Serbs, this is a religious and ethnic war. Military intervention is out of the question because this would mean interference in the civil war in support of one side. We consider political action much more important—namely, that pressure be put on all sides.

We cannot imagine the possibility of a military intervention or that someone would come here to fight against the Serbs. The Serbs do not want to fight against anyone, either. We will try to avoid skirmishes as much as possible. We do not even want to think about fighting against our World War II allies.

[Szabo] Is there a political solution to the crisis?

[Karadzic] Quite certainly. The world has to judge the Serb, Croat, and Muslim sides equally.

[Szabo] Has this not been done yet?

[Karadzic] No. The world only placed pressure on the Serbian side and encouraged the Croats and Muslims to continue the war.

[Szabo] Who would have done this?

[Karadzic] The international community that did not exercise any pressure on them.

[Szabo] Is this still the same?

[Karadzic] It is mentioned with increasing frequency that Croatia has a military presence in Bosnia, which is actually true because it has 40,000 troops stationed here. The UN sanctions should be extended to Croatia, too.

[Szabo] What are your views on the Tudjman-Izetbegovic meeting and agreement?

[Karadzic] I think that the goal of the agreement is to save Croatia from the sanctions. Croatia wants to prove that its troops are legally present in Bosnia. However, it cannot make people believe this.

[Szabo] Why?

[Karadzic] Because this is a hollow trick. They must remain on their own territory. They cannot be present in the Serbian areas.

[Szabo] Yugoslav Prime Minister Panic suggested dividing Bosnia into three states. How do you feel about this?

[Karadzic] We have already agreed on this with the EC. The EC's suggestion includes the division of Bosnia into three constituting states. We see these three state formations in a confederative system. A commonwealth would be established this way.

[Szabo] Have you met Prime Minister Panic?

[Karadzic] No. Nikola Koljevic, a member of the presidium of the Bosnian Serb Republic, has met him.

[Szabo] What is your opinion of Mr. Panic's program?

[Karadzic] We support his efforts to end the war. Ending the war is the most important thing.

[Szabo] Is this possible in view of the fact that the cease-fire is regularly violated?

[Karadzic] It can only be done if the world exerts equal pressure on all sides. We suggest that the UN representatives see for themselves exactly who is violating the cease-fire. If no other solution is found, then the United Nations should mark a green line between the opposing sides.

[Szabo] The Bosnian Serbs, together with the Serbian free troops, occupied large areas of Bosnia.

[Karadzic] There are no Serbs from Serbia here. The Bosnian Serbs are in conflict with the Bosnian Croats and Muslims. We have lived here for centuries. We did not occupy foreign areas. We defended our own state and territory.

[Szabo] From whom did you have to defend it and why?

[Karadzic] Because they wanted to annihilate us; they committed genocide and killed a large number of Serbs. The Serbs are endangered because the Croat-Muslim coalition started a genocide on us.

[Szabo] However, what is the situation with the prisoner-of-war camps created for the Croats and Muslims?

[Karadzic] We urge the United Nations to visit all the prisoner camps. The Serbs are not maintaining any such camps while the Muslims and Croats are. They also created a prisoner-of-war camp in Sarajevo where Serbs are held captive. In fact, they have given a number of Serbian children to lions!

[Szabo] How did the lions get to Sarajevo?

[Karadzic] They are in the zoo.

[Szabo] What is the situation in Gorazde? The town is being attacked by Serbs. Why?

[Karadzic] The Serbs have been driven out of Gorazde. They surrounded the town because their family members remained in Gorazde. They are being held hostage and are tortured. Some people were even calked like horses. The Serb women are being raped and murdered. Dead bodies of Serbs are often washed ashore by the Drina River. The Serbs tolerated this for three months, but they also engaged in the fighting when the Muslims attacked 27 villages in the area of the town.

[Szabo] What will happen to Gorazde? Will it be liberated like many other towns have been? From whom does it have to be liberated?

[Karadzic] The towns had to be liberated from the so-called green-caps because these forces introduced terror there. They did the same in Gorazde. We want to liberate the Serbs and the areas where they live in Gorazde. The Muslims should do what they want in their own quarters. They can continue to live in these quarters. We are not interested in them and we do not even want to enter their area.

[Szabo] Is there any chance for demilitarizing Bosnia?

[Karadzic] Yes, after drawing up an adequate political solution and establishing peace.

[Szabo] What will happen to the weapons?

[Karadzic] We will sell them.

[Szabo] Do you support Mr. Panic or Mr. Milosevic?

[Karadzic] I am not aware that they are opposing each other. Anyway, I support Mr. Panic's peace efforts.

[Szabo] What solution do you see to the Bosnian drama?

[Karadzic] Either there will be a political solution or the bloodshed will continue. The killings should be stopped immediately and we should sit down at the negotiating table. The Muslims refuse the dialogue.

[Szabo] Why?

[Karadzic] They do not give an explanation. They state that they want to liberate Bosnia from the Serb aggressors. They want to banish all Serbs from Bosnia so that they can rule. This is impossible because the Serbs do not want to leave.

[Szabo] What will happen to the refugees?

[Karadzic] They will have to return after the war. We support this.

[Szabo] Who guarantees their safety?

[Karadzic] The state. All three constituting state formations will have to care for their citizens, regardless of their nationality or religious affiliations.

[Szabo] Do you wish to remain in a confederative state or will you join Yugoslavia?

[Karadzic] We would prefer to remain an independent state. This also depends on the international circumstances.

German Ministry Reports Embargo 'Taking Effect'

LD2907094592 Berlin ADN in German 0901 GMT 29 Jul 92

[Text] Bonn (ADN)—The sea and air monitoring of the UN embargo of Yugoslavia, in which the Bundeswehr is involved with the destroyer Bayern and three reconnaissance aircraft, is apparently taking effect. The FRG Defense Ministry announced in Bonn on 29 July that since the start of the measures the volume of shipping off the Yugoslav coast has fallen by half, and the number of ships entering ports belonging to the former Yugoslavia has fallen to about half. Captains generally react readily to questions put by radio about their cargo and destination.

The Defense Ministry confirmed that the frigate Niedersachsen will take the place of the destroyer Bayern in the NATO group tomorrow, Thursday. The Bayern is expected back in Wilhelmshaven on 8 August.

Bosnian Presidency Member Seeks Arms From Turkey

LD2807111892 Belgrade TANJUG Domestic Service in Serbo-Croatian 1001 GMT 28 Jul 92

[Text] Ankara, 28 Jul (TANJUG)—Ejup Ganic, a member of the Bosnia-Hercegovina presidency, today confirmed for the Turkish press that he is visiting Turkey "to obtain arms to enable Bosnia-Hercegovina to defend itself from Serbian attacks more successfully."

Introduced as a special envoy of the Bosnia-Hercegovina presidency, Ganic specified in today's issue of the Turkish DAILY NEWS that "there are more practical ways of delivering arms to Bosnia-Hercegovina," adding that it is not his duty to "suggest ways of delivering arms." He expressed the hope that "Turkey will help Bosnia-Hercegovina, because time is running out."

Ganic also voiced his "desperate cry" for arms in CUMHURIYET, and when asked whether he had requested arms from Turkish officials as well, he said: "We hope that Turkey will help us." Asked again by the same paper whether he had obtained a promise from Turkey, Ganic said: "We have not, but we hope to have."

Two Turkish opposition parties today requested that arms be sent to Bosnia-Hercegovina. They accused the government of "being inert" about events in Bosnia-Hercegovina.

Correspondent Interviews Muslim Leaders, Refugees

Bosnian Zenica Leaders

London AL-SHARQ AL-AWSAT in Arabic 16 Jul 92 p 1

[Article by As'ad Taha]

[Text] Zenica, Bosnia-Hercegovina—The melancholy picture that leaders of the Bosnian town of Zenica painted, describing their situation in the current state of war, was clearly shown on the faces of the people in the streets when we went out to tour the town. The shops have only empty shelves; long lines of people are standing in front of a bread distribution center; vehicles carrying fighters drive past at high speed; and everybody stops in order to clear the way for an ambulance carrying a casualty. In the central market we were surrounded by people. In the midst of this crowd I glimpsed a few tomatoes offered for sale. Everybody wanted to give us a message to the Islamic world that says: "We are the same as you are; we are of the same religion as yours, maintaining it in the heart of Europe. Don't leave us at the mercy of the Serbian knife."

Two kids came out from the midst of the crowd and rushed toward me when they learned I was an Arab. They said in clear and correct Arabic "al-Salamu 'alaykum," and then they broke into tears.

At the headquarters of the (Muslim) Party of Democratic Action, party leader Fuad Gendic said: We are fighting a ferocious war in order to consolidate our position in the Islamic world. This is a very important stage in the history of our people. If it ends peacefully then this will be tantamount to a rebirth of the Muslim nation in Bosnia-Hercegovina.

He added: "Despite the tremendous difficulties of these days, we are living with great contentment because we feel that we are at the beginning of a new era with regard to our relations with the Islamic world, and particularly the Arab world, whose intensive presence amongst us we need just as we need its support for us, especially on the ideological level. This is a unique historic opportunity in our age and we do not want to waste it."

Continuing, he said: "In the last 100 years the Muslims in the Bosnia were slaughtered three times; in 1914, 1940-45, and now in 1992. This is sufficient reason for us to insist on our just demands to establish a state of our own."

Dr. Zahid Beganovic, director of the central hospital in Zineca accompanied us on a tour of the hospital in order to give us a close look at the situation and see the tragic conditions of the civilian and military casualties, as well as the acute shortage of everything, beginning with

medicines and ending with equipment and the lack of trained manpower. The hospital and its administration were not prepared for such conditions. A big bus stood at the hospital entrance from which a large number of young people disembarked. When I asked what are they coming for, they said groups of people come daily in order to donate blood for the treatment of serious cases.

As we entered the intensive care unit, I was shocked by the look of deep sorrow on the faces of doctors who are supposed to be used to such scenes. The unit, or the room, was crowded with casualties, including a 12-year old boy and a 40-year old man who, according to the medical report, was living the last moments of his life. In a room with one bed I saw an innocent little girl in a coma after having undergone two brain surgeries. In another room there was a young fighter who lost both his legs. He refused to be photographed or to speak. I respected his anger and went on to see another patient, a 14-year old with serious injuries as a result of stepping on a land mine outside the town. We ended the tour with a visit to Milovic Asad, from Bratsona near Zvornik where ugly massacres took place. He was hit by bullets in his legs. He was one of the prisoners whom the Serbs released following the recent exchange of prisoners.

Milovic said: "I was arrested together with a group of young men without resistance because we had no weapons whatsoever. I was taken with my colleagues to a secondary school in one of the town quarters. We were subjected to all kinds of torture which resulted in the death of some of us. My father and brother fell dead right in front of me. The imam of the mosque in our town was killed. They asked me to surrender my arms, but I assured them that I had no arms. So they fired at my feet at close range then they put me in a truck and took me to Napali area in Sarajevo heights. I was again tortured despite my injury. Later they released me as part of the prisoners exchange."

After this sorrowful conversation I went on to see the hospital director. He said the hospital has 1,100 beds and is the only one in this liberated area. It provides treatment for about 40 neighboring townships. They had to reduce the number of civilian patients and restrict them to serious cases only. He added: "We daily receive 50 to 60 casualties. We have many problems in providing medicines, disinfectants, cleaning detergents, and even in providing food for the patients. As you have seen in the intensive care unit, we have only two units of a certain equipment, which means that if three casualties are received, the third is condemned to die. We are in great need for whatever could help us reduce the number of fatalities."

I thought that in this tour I had seen the ultimate of human drama from this ugly war. But I was surprised when Commandant Khalil asked: " Do you know that there are in Zineca some 20,000 refugees from other areas?" I said to him: "But Zineca is a battlefront. How can refugees seek shelter there?" He said, "This is an emigration waiting for another emigration."

He added: "There are another 40,000 refugees in the rest of the province and there are reports that 50,000 more refugees are on their way to us. This has turned our town into a kind of a vast refugee camp." Later we headed to one of these camps. The following are glimpses of what I saw:

—A man unable to move after his vertebral column was broken as a result of forcing him to carry large numbers of Muslim dead bodies and bury them.

—A 40-year old woman says: "I have nothing except the clothes I'm wearing. We have been forced to leave our homes and properties. Women, children, and old people had to walk 40 KM. Two women died on the way."

—Hamid Sabahic, an 11-year old boy, says with tears in his eyes, "They [Serbs] shot my father in front of me and took the village men to a mass detention camp which they set up. I have managed to escape from them. They amputate two fingers from the hands of my comrads, and tell them: 'So that you won't be able to fight us when you grow up.'"

Later, I learned that they [Serbs] drew blood from Muslim men in order to treat their wounded.

Later, I met a 70-year old man who told me: "I come from Kozart, near Sarajevo. Our Muslim forces that fought with old hunting rifles and handguns could not stand in the face of the Serbian militia which is equipped with the most up-to-date weapons. When they stormed the village they opened fire on a large number of our men. It was a terrible massacre," he said crying. "They killed my son in front of me, at my feet. I wish they had killed me," he said crying bitterly.

Zenica Hospital, Refugee Camp

92AE0514B London AL-SHARQ AL-AWSAT in Arabic 16 Jul 92 p 4

[Article by Asad Taha]

[Text] Zenica, Bosnia-Hercegovina—The sharp contrast between the starting point and the finishing point, the tortuous trip from Split to Zineca, is sufficient to dispel any monstrous thoughts about waging war. It is an eloquent message to all human beings to stop war. The trip from this charming Croatian port to that sad Bosnian town is like moving from the world's pleasures to the torments of eternity.

The first lies on an exquisitely beautiful Adriatic coast surrounded by splendid sceneries, and the second is a battlefield—casualties, dead bodies, and widows, which all combine to create a tragic scene with the backdrop of war, blood, tears, and starvation.

I tried in vain to convince my two companions from the special Muslim forces, who undertook the task of escorting me during the trip, that riding to the battlefield in this ancient vehicle that dates back many years, would make us vulnerable to Serbian sniper fire.

After travelling for two hours, I realized that artillery fire, sniper fire, and landmines are no more dangerous than the travel itself. In fact, the former would probably be simpler. Suddenly, the driver turned onto an unpaved side road where we continued on for nine hours, sometimes passing through forests, sometimes climbing mountains. Things reached their climax at one of the highest points on the mountain when we faced a car coming from the opposite direction on a road wide enough for just one car. The situation here called for some risk-taking, otherwise we would have fallen into the ravine, bringing our lives to a miserable end.—If it is an act of heroism for journalists to be killed in a war which they have been reporting, it is a shame that they should die on their way to it. On this road, however, we often met with big vehicles markded with red cross emblems, carrying relief foodstuff for the starving people. Some other vehicles had the sign of the Islamic Relief Authority, whose name has become known even to people in the street. It has been publicized by the Croatian media which constantly follows up its activity. This aid is equally divided between the Muslim and Catholic war victims.

From time to time, a small car loaded many times its weight limit would pass. It would be carrying all the worldly belongings of its owners who were in flight from one dangerous place to an even more dangerous one.

At regular intervals we were stopped by road barricades of the Croatian Defense Forces. I noticed that most of the soldiers who are charged with protecting the road are Croats. Along the road, most of the houses seemed abandoned by their owners. Mosques pulpits [manabir], hidden among the houses [as published], were the Serbian artillery's principal target. A few kilometers before we reached the town, which is 45 KM from Sarajevo, the radio reported the fall of 24 wounded and 18 dead on the Zineca front where we were heading...very reassuring!

Gloom and doom seemed to engulf the city's houses, with the darkness of night intensifying fear and depression. This feeling was alleviated by the good reception we were accorded by head of the provincial government and the area's military commander who insisted on receiving us when we arrived at midnight. The following morning we met with most of the province's leadership who expressed warm feelings toward their brethren in the Arab world. Commandant Khalil addressed the meeting. He is a battalion commander of the Muslim forces which he called the "Mojahedin Battalion." Its members carry on their epaulets an ensign on which it is written: "There is only one God, and Muhammad is His messenger." They also wrap their heads with a black cloth on which the word "Allah" is written.

Commander Khalil said that Zineca is of special importance, particularly because of its militarily strategic position. It has a giant iron and steel factory and mines employing more than 50,000 people. But now these are in a state of complete standstill because of the war conditions. Volunteers are being trained in the town and sent to the battlefront.

Continuing, Khalil said: "We also distribute whatever food supplies we have to the various areas. Zineca has become a major center for the World Islamic Relief Organization's distribution of relief materials in the battle area because of the starvation that has come to our province and its villages."

I asked him if the town is secure now, he said: "There is fighting now on the outskirts of the city, but the city has been purged of the Serbian militia (Shetnik0 and the army. We are now seeking to reinforce the Dravnik forces, after which we will, God willing, head for Sarajevo."

With an expression of deep sorrow on his face, he said: "Our women have been raped, and our children killed while playing in their schools, our houses destroyed, and our cottages razed. I have documents to prove that about 70,000 Muslims were slaughtered in four provinces east of Bosnia, namely Foca, Visegrad, Voznig, and Bjeljina. Nevertheless, Basim Spahic, the provincial governor, said the Serbian minority here is living in safety and its prisoners are treated well in accordance with Geneva convention. A human rights committee visited us and saw their condition with its own eyes."

Haris Masic, the mayor, said: " The regime in Belgrade and its supporters in Bosnia and elsewhere will not rest or be satisfied without first achieving their objective of annihilating the Islamic presence from all of old Yugoslavia. We are experiencing an acute economic crisis which is gravely exacerbating the situation. Had it not been for the Islamic human relief organizations, a terrible famine would have occurred in the country. We are daily losing $1 million because of the suspension of work in our factories, especially the iron and steel factory," he added.

Hercegovina Corps Commander Views Links With FRY

92BA1228A Podgorica POBJEDA in Serbo-Croatian 9 Jun 92 p 4

[Article by Mr. Popovic, deputy commander of Hercegovina Corps: "We Will Defend Hercegovina"]

[Text] Colonel Milorad Milicevic, assistant commander of the Hercegovina corps: "We expect moral assistance from the Federal Republic of Yugoslavia [FRY], and the Hercegovina intelligentsia, which is mostly located in Belgrade. We have enough strength to reach the Neretva again."

"Two Croatian army brigades are attacking Trebinje from the direction of Dubrovnik. Five thousand soldiers are rushing toward this city on Trebisnjica. Hand-to-hand fighting is going on. The people of Hercegovina are holding up honorably. Admittedly, casualties are occurring not only in this part of the front, which is currently the most serious, but also in all of Hercegovina,

but we will defend Hercegovina," Colonel Milorad Milicevic, assistant commander of the Hercegovina corps, stated today especially for POBJEDA.

"We have the strength and capability to reach the Neretva again and occupy all the important strategic points. At this time, our biggest enemies are not Ustasha of various colors—that is, the Croats and the "green berets"—but rather the third front that has been opened from inside: the domestic Muslims. This means that we have to keep part of our forces in readiness to intervene in the rear. I think that we do have those forces, primarily thanks to the people of Hercegovina, or the majority of them. And that fortunately smaller number of Hercegovinians who fled the battlefield and left their homeland to be trampled by the enemies' boots—I can say freely that they are not Hercegovinians, but cowards. Those who remained, and we officers of the former Yugoslav People's Army [JNA]—now the Yugoslav army—who are of Hercegovina origin, can defend this country of ours, this rock of ours," the colonel said. He added that many officers nevertheless did not come to Hercegovina to defend their native land.

The assistant commander admitted that certain Serbs, for instance in eastern Slavonia and Vukovar, were more organized in defense. The corps command is doing everything possible to have the people of Hercegovina do the same. In response to a question about whether some of the civilian authorities of the Hercegovina SAO [Serbian Autonomous Region] were hindering the defense, Colonel Milicevic answered that the Hercegovina corps, i.e., the military authorities, were respecting the legally elected civilian authorities in Hercegovina. At this time, he said, it was hard to estimate how much the authorities were contributing to the definite disorganization and slowing the people's mobilization. It was true, however, that a lot could be done through joint action and agreement.

"We in Hercegovina, where currently Hercegovinians and a fairly small number of volunteers are dying and shedding their blood, do not need any great assistance, except for moral assistance. We expect that assistance from the FRY, primarily from the Hercegovina intelligentsia which is mostly located in Belgrade. I am taking into account what is happening at this time with the new Yugoslavia, whose borders we have unfortunately been left out of, but on behalf of the corps and the people of Hercegovina I call upon all progressive Yugoslav forces to help us, primarily morally (this is not an empty phrase), and then we will hold out and defend Hercegovina. It seems to me that some people in Hercegovina are vacillating because they are not yet aware of the danger that is simply on their doorstep. I nevertheless believe that things will change very soon," the colonel said, explaining that it was also not easy for the officers to come when the JNA had withdrawn, and it was only then that the people of Hercegovina suddenly became aware. "There were several advantages while the JNA was defending this people—first of all their strength, which inspired courage in everyone, and we also had aircraft, a tremendous amount of equipment.... We were suddenly left alone facing an enemy who was constantly bringing new forces from Croatia, which the fascist forces of Europe are arming with the most modern equipment.

"After its withdrawal, the army left enough equipment and weapons for Hercegovina and we also have enough soldiers; we just need to realize that now the most urgent job is defending our lives and homes, and it seems to me this is still not clear to some people. It is necessary to join forces, excluding politics and ideology, leaving that for after the war," Colonel Milicevic stated.

[Box, p 4] Yugoslavia in Their Hearts

"The Serbian people in Hercegovina, and Bosnia-Hercegovina, are vitally attached, with all their strength, to the FRY. Living in it, i.e., annexation, is the desire of this people and of us officers who are defending Hercegovina and Serbian Bosnia-Hercegovina. I think that Yugoslavia will respect this," stated Colonel Milicevic.

Egypt's Aid to Bosnia's Muslims Discussed

92BA1229A Belgrade NIN in Serbo-Croatian
10 Jul 92 p 21

[Article by Dejan Vasiljevic: "Echo of War"]

[Text] The Egyptians are gathering extensive assistance for their "brothers in religion," and some of them are expressing willingness to join the Muslim armed units there.

(Special report for NIN from TANJUG's Cairo correspondent)

A long line of veiled women and bearded men stretched in front of the window of the doctors' association in Cairo. They patiently waited for their turn to offer their hands through a small opening and give the money they were setting aside as aid for the Muslims in Bosnia-Hercegovina.

"We have collected almost a million dollars in the Committee for Humanitarian Assistance (HAC) for our Muslim brethren who are suffering because of the war in Bosnia-Hercegovina," the association's treasurer, Dr. Anwar Shehata, stated for the Sunday AL AHRAM.

The campaign to collect voluntary contributions for the Muslims in Bosnia-Hercegovina has already been going on for several weeks, organized by the above-mentioned HAC committee, around which the associations of Egypt's engineers, lawyers, and pharmacists have also gathered. The HAC is paying for a big campaign in the press, which is publishing advertisements condemning the "Serbian aggression and massacres of the Muslims in Bosnia-Hercegovina," and calling upon interested Egyptians to ease the suffering of the Bosnia-Hercegovina Muslims through contributions.

"Muslims of the entire world, know that on the map of the new world order you are intended for slaughter,

massacre, or conversion, and the abandonment of your religion.... Know that you are next, when the killing of Muslims in Palestine, Burma, Kashmir, Thailand, and Bosnia-Hercegovina is finished...," says one of these paid advertisements signed by the Engineers' Association, which, like all of the largest trade unions in the country, is controlled by the "Muslim Brotherhood" organization.

Most of the men and women in line in front of the window admitted that until two or three months ago they had never heard of Bosnia-Hercegovina in their lives, or even heard that people who identified themselves as Muslims lived there. This, however, did not keep one bearded young man—the beard is the main outward characteristic of Muslim fundamentalists—from commenting that "the West is against Islam" and that "those who have been killed in Bosnia-Hercegovina met that fate just because they were Muslims." Others similar to him in his immediate vicinity nodded their heads or loudly approved.

Dr. Shehata likewise does not conceal the fact that he was pleasantly surprised when he recently learned that Muslims lived in some distant Bosnia-Hercegovina, in the south of Europe, but he was even more saddened to learn that they were exposed to the sufferings of war. Even though it was pointed out to him that a civil war among Serbs, Croats, and Muslims was raging in that former Yugoslav republic, Shehata remains unwavering convinced that the "devastation is aimed mostly at the Muslims."

"Why shouldn't we include those Muslims in the Islamic world and get a Muslim state in Europe?" he asked. In his opinion, the extensive assistance from individuals in Egypt is being achieved thanks to the extremely heavy media campaign in the local media, but also to the harsh positions taken by official Cairo concerning the events in Bosnia-Hercegovina. The head of Egyptian diplomacy, Amr Musa, has condemned Serbia many times, but admittedly has also raised his voice against the bloodshed in that republic, "whether it involved the killing of Muslims or non-Muslims."

Not everyone, however, thinks the same way as the doctor quoted from the Humanitarian Assistance Committee. For instance, Gamal Asad Abdel-Malak, former member of the Egyptian Parliament, publicly stated through the pages of the Sunday AL AHRAM that it was "dangerous to reduce the conflict in Bosnia-Hercegovina to a war between the West and Muslims, or, in even more simplified terms, to a war between Muslims and Christians." Abdel-Malak had in mind the negative effects that such a distorted view could have, above all for the situation in their own back yard, in Egypt.

"Insistence on the position that a religious war is being fought in Bosnia-Hercegovina is intensifying the unfavorable reflections that are being cast upon our joint life and is nourishing hatred between Egyptian Muslims and Copts (Orthodox Christians—correspondent's comment), especially in the awareness of primitive and uneducated people who do not know the real background of the Yugoslav crisis," Abdel-Malak noted.

It is very distasteful and difficult to say whether this former ambassador is right and whether there is some sort of cause-and-effect relationship between the war in Bosnia-Hercegovina and the suddenly inflamed religious conflicts in southern Egypt. The fact is, however, that in several provinces—350 to 500 km south of Cairo—in the last three months armed conflicts have been breaking out more and more often, one might say daily, caused by assaults by armed Muslims against Copts or attacks by Islamic fundamentalists against the forces of order, which are not permitting extremist Islam to flourish in Egypt. During the above-mentioned period, at least 40 casualties have been recorded on all three sides, several hundred people have been wounded, and about 1,000 have been arrested, mostly bearded Islamic fanatics whose dream is to turn secular Egypt with its 58 million people—in which 90 percent are Muslim and about 10 percent are Christian—into an Islamic republic like Iran.

"Egyptians are primarily Muslims, and consequently we are concerned about our Muslim brethren everywhere in the world," stated one more person in the line for sending aid to Bosnia-Hercegovina. "What ties me to my brother in religion in Bosnia-Hercegovina is stronger than any other tie, simply because we are both Muslims," said the young Egyptian in question.

Several people in the same column in front of the window of the Doctors' Association proudly related how they had demanded that the government in Cairo make it possible for them to travel to Bosnia and fight on the side of their "Muslim brothers."

Agitation for aid for the Muslims in Bosnia-Hercegovina is also being conducted through sermons by muezzins at the great prayers on Fridays. After one such prayer, 32-year-old Husein Sajed, a teacher by profession, brought 1,000 Egyptian pounds (about $300) to the window, which is equal to the annual salary of someone starting in the state administration with a college education.

"We do not intend to stop with individual donations on behalf of Bosnia-Hercegovina.... We will organize a soccer match for charity, a rock concert, and a theatrical presentation," the teacher Sajed commented.

Krajina Militia To Control Croatian Border

AU2807164492 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 28 Jul 92

[Text] In Knin Krajina, UNPROFOR [UN Protection Force] representatives are protecting border crossings between Croatia and Knin Krajina. Danko Peric reports from Knin:

[Begin recording] At the state border at Peruca, Zitnic, Kapme, Mosovstan and Rovanjska, passenger checks will be performed by the Krajina militia. This will eliminate illegal entry by Croats who do not have special written permission or diplomatic immunity, something that was occasionally allowed by UNPROFOR.

From now on, the UN civilian police will have to forward all criminal charges to the Krajina militia, because it has been noticed that the citizens of Croat nationality were reporting criminal cases to the UN civilian police. No criminal proceedings will be initiated without criminal charges being submitted to the Krajina militia. [end recording]

Arms, Drugs Being Smuggled from Argentina

LD2807151792 Belgrade TANJUG in English 1018 GMT 28 Jul 92

[By Branko Andjic]

[Text] Buenos Aires, July 28 (TANJUG)—Not only arms but also cocaine dollars are being delivered to the former Yugoslav Republic of Croatia from Brazilian and Argentinian ports, the Argentinian daily PAGINA 12 said on Tuesday [28 July].

Arms from Argentina is being delivered via Albania through the same channels used for drug smuggling. The drug is then sold in Western Europe and used to purchase arms, PAGINA 12 said citing the results of an investigation by a French organization engaged in detecting drug channels in Europe.

Croatia obtained international recognition on January 15. In the war which escalated in May 1991, Croat emigrants in Latin America sent active support to their countrymen at home.

PAGINA 12 quoted a French source as saying the Croat communities in Latin America were responsible for a new "Balkan connection" by which drugs are being smuggled into Europe.

The daily said Croatia had been one of the most active and illegal arms and drug market for over five years.

It quoted also sources from the customs administration in Belgrade as saying at least ten tonnes of arms reached battlefronts in Yugoslavia from Argentina and Brazil.

PAGINA 12 exemplified its allegations with a series of violations of the U.N. embargo on arms deliveries to the warring sides in Yugoslavia. It pointed out close ties between Croatian neo-Nazi terrorists and Chile's former regime of General Pinochet which, as it said, was involved in the delivery of 11 tonnes of arms to Croatia. The deliveries were found among the humanitarian aid packets at the Budapest Airport last November.

PAGINA 12 said arms were smuggled to Croatia also by the Libyan ultra-left wing through the mediation of a Swiss firm. Large quantities of military equipment, including Argentine-made rifles and Chile-made bombs, were sent to Croatia via Italy, the daily said. Another 20 tonnes of arms were found on board a Ugandan plane at the Zagreb airport, and Hungary sold 20,000 Kalashnikovs to Croatia, the daily added.

No one in Argentina so far claimed responsibility for arms deliveries to Croatia. The Defence Ministry recently strongly rejected the possibility of the government issuing a permit for arms exports to the war-stricken country.

The Croatian Caritas Cardinal Stjepinac, the most active organization of Croatian emigrants in Buenos Aires, energetically denied claims that arms were hidden in its humanitarian aid shipments to Zagreb.

However, PAGINA 12 reporter Eduardo Febbro [name as received] said he saw members of the Croatian militias in Zagreb carrying Argentine-made rifles Fusil Argentino Liviano. Febbro said the militiamen were proud to tell him that the "appeal of the Croatian nation was heard as far away as in Pampa."

PAGINA said a private visit to Zagreb on Monday by Argentinian President Carlos Menem could be interpreted as Argentina's siding with the Croatian side.

Menem "will have the opportunity to see both Argentine-made rifles in the hands of Croatian militiamen and Argentinian volunteers in their ranks," PAGINA 12 said.

Federal

Army Denies Tank Movement Toward Bosnia

LD2807205592 Belgrade TANJUG Domestic Service in Serbo-Croatian 2006 GMT 28 Jul 92

[Text] Belgrade, 28 Jul (TANJUG)—In connection with today's statement by Bosnia-Hercegovina Foreign Minister Haris Silajdzic in London about the movement of tanks of the FRY Army, the information service of the Yugoslav Army General Staff this evening issued a statement rejecting Silajdzic's claim.

The statement says: "The statement of Bosnia-Hercegovina Foreign Minister Haris Silajdzic in London about the alleged movement of tanks of the Yugoslav Army from Valjevo in the direction of Bosnia the product of a foolish idea of provoking military intervention at any cost.

By his refusal to negotiate on peace, Mr. Silajdzic has shown that he is only interested in plans to extend the war throughout the region of the Balkans at any cost.

Tanks of the Yugoslav Army are on the territory of the Republic of Yugoslavia. Their crews, like all other members of the army, want peace in their own state and in the vicinity.

We believe that the international community will finally understand that the instigators of the Sarajevo street massacres cannot transfer their variant of a holy war to diplomatic bags and invent movements of tank units of the Yugoslav Army without consequences," the statement of the information service of the Yugoslav Army General Staff says in conclusion.

Justice Minister Says Panic Opened Way To Changes

LD2807164692 Belgrade TANJUG in English 0930 GMT 28 Jul 92

[Text] Belgrade, May 28 (TANJUG)—Yugoslav Prime Minister Milan Panic is opening the way to changes which are indispensable for the country's integration "in a new, European and broader international community," Federal Republic of Yugoslavia Justice Minister Dr Tibor Varadi said in an interview published in the Belgrade daily VECERNJE NOVOSTI on Tuesday [28 July].

"When I say European Community, I do not mean only the E.C. but a broader community of all people living in Europe," Varadi said.

Prime Minister Panic's justice minister said that "genuine changes are indispensable" "are an imperative of the (current) situation" and could be carried out by the current federal government.

Varadi said the current Yugoslav Government was in fact a transitional one and could not be expected "carry out a complete revision of the legal system, especially if early elections are held in November, as Federal President Dobrica Cosic has announced." Varadi said it would in fact "not be good" for the Panic Government to carry out such a revision in full.

Long-term solutions can be expected after the November elections, and the current Government should, in the meantime, "create minimal pre-conditions for a life in peace and categorically distance itself from options which lead to civil war," the Yugoslav justice minister said.

"It is, therefore, necessary to create conditions for elections in which all political parties will participate and whose system will be accepted as fair by all political protagonists who wish to take part in a fair race," Varadi said.

UNPROFOR Begins Moving Headquarters to Zagreb

LD2807170292 Belgrade TANJUG Domestic Service in Serbo-Croatian 1609 GMT 28 Jul 92

[Text] Belgrade, 28 Jul (TANJUG)—The UN Protection Force [UNPROFOR] has started to move a part of its equipment from Belgrade to Zagreb. The planned move of the main UNPROFOR headquarters from Belgrade will be completed by the end of the week, Frederic Eckhard, spokesman for the UN peace-keeping forces, told TANJUG today.

The main UNPROFOR headquarters was temporarily moved to Belgrade from Sarajevo when ethnic clashes broke out there, and now it is being moved to Zagreb.

Serbia

Captured Troops Testify To Croatia's Aggression

LD2807170192 Belgrade TANJUG in English 1155 GMT 28 Jul 92

[Text] Belgrade, July 28 (TANJUG)—The Belgrade dailies POLITIKA and BORBA on Tuesday [28 July] carried the statements of the regular troops of the former Yugoslav Republic of Croatia, who were captured by the Army of the Bosnia-Hercegovina Serbs.

The captured Croatian National Guardsmen (ZNG) deny the Croatian authorities' allegations that their troops are not involved in the civil war in the former Yugoslav Republic of Bosnia-Hercegovina.

Bosnia-Hercegovina Moslems and Croats have been fighting against the local Serbs for four months now. At least 50,000 troops of Croatia's regular Armed Forces are fighting on the side of the Moslems and Croats. Their presence in Bosnia was legalized by last week's agreement between the Moslem leader Alija Izetbegovic and Croatian President Franjo Tudjman.

Drazen Pekic, Zeljko Vidak and Ratko Jurijevic, who fought in the 110th and 143rd ZNG Brigades, were

captured near Bosanski Brod, a city on the border between Croatia and Bosnia-Hercegovina. They told the journalists they did not know why they were fighting in Bosnia-Hercegovina, since the war in Croatia was over for them.

"The Croatian Army's morale has waned, people are running away, but they are severely punished when they return to Croatia", Pekic said.

Jurijevic, who lives in Ogulin, a town in the Lika district in Croatia, said that all the town's unemployed have been mobilised.

"We are against our involvement in this war. We believe that the war in Croatia is over for us, particularly since President Tudjman says the same thing, and he, too, claims that we are not fighting on Bosnia-Hercegovina territory. But, we were shipped to Bosnian territory against our will, and we were captured there. I don't know why we are fighting here and why we are aggressors here", Jurijevic said.

Vidak said he and his friends were not to be blamed for being on Bosnian land and he blamed President Tudjman "who, with his decisions, is doing all he can to destroy young Croats and the Croatian people and to turn them against the other peoples.

Along with the three Croats, the Bosnian Serbian Army also captured a Moslem, Jasmin Smailovic, who comes from a village near Doboj, northern Bosnia. Smailovic fought with the 101st ZNG Brigade and claims the Croats mobilized him by force.

"Croatian regular units have been on Bosnia-Hercegovina territory for a long time now. A battalion of the ZNG Rijeka Brigade came to our village in May. There were Negroes, Arabs, Germans and mercenaries from other countries in it." Smailovic said. (Rijeka is a Croatian city on the northern Adriatic coast).

"The Croats mobilized the Moslems by force and drove us to the front, invariably to the front-lines, so we would be the first to be killed", Smailovic said. "If a Moslem disagreed, he'd be left without food, beaten up and even killed", he added.

In addition to the testimonies of the captured ZNG troops, BORBA carried a facsimile of the Croatian authorities' order of March 30 on preparations for the fronts in the Livno and Tomislavgrad battlegrounds in Western Hercegovina. The two cities are now completely controlled by the Croats and are part of the newly-founded Croatian state community "Herceg-Bosnia".

Assembly Adopts Law on Public Demonstrations

LD2807212892 Belgrade TANJUG Domestic Service in Serbo-Croatian 1742 GMT 28 Jul 92

[Excerpt] Belgrade, 28 Jul (TANJUG)—The law on public demonstrations, which the Serbian Assembly adopted in principle this afternoon, lays down the conditions, including payment of deposits, under which public demonstrations can be organized.

Justice Minister Zoran Cetkovic explained that the law neither favors the ruling party nor curtails the opposition, because the same conditions apply to everyone. According to him, it is important that demonstrations can be organized in line with the Constitution, and the law offers more security for people and property and brings more order into this area. The existing practice has demonstrated the need for legal regulation, and the law has been made in line with modern democratic solutions and offers equal protection and rights to all citizens.

The law allows free gatherings where traffic will not be disrupted; where traffic would have to be re-routed, gatherings have to be registered five days in advance and a deposit has to be paid. [passage omitted]

People's Party Offers Government Candidates

LD2807162192 Belgrade TANJUG Domestic Service in Serbo-Croatian 1300 GMT 28 Jul 92

[Text] Belgrade, 28 Jul (TANJUG)—The People's Party is ready to participate in the Serbian Government reshuffle and has already offered a list of candidates for all 24 posts, the party leader, Milan Paroski, said at today's press conference in the Serbian Assembly.

The list includes Captain Dragan [former commander of Serbian irregulars] who would be the head of the Serbian Ministry of Internal Affairs, and journalist Miroslav Lazanski [Belgrade television military affairs commentator] who is candidate for defense minister.

One more ministry will be added to the government, the Ministry for National Reintegration, to be headed by "Peoples" leader Milan Paroski.

Deputies Propose No-Confidence Vote on Government

LD2807144592 Belgrade TANJUG Domestic Service in Serbo-Croatian 1317 GMT 28 Jul 92

[Text] Belgrade, 28 Jul (TANJUG)—Following the political consequences and anxiety created by the draft law on universities, and particularly by the draft plan for the POLITIKA company, a group of 30 deputies has proposed to the republican parliament that Radoman Bozovic's government should be given a vote of no confidence.

A government that is not capable of differentiating between crucial and minor political and economic aims, and that so far has not offered a single comprehensible, legal privatization plan has neither moral nor political nor economic grounds for authority in Serbia, these deputies maintain.

At the same time, the pressure on POLITIKA is, they maintain, also pressure on public opinion in Serbia and an example of violating the human rights and freedoms of Serbian citizens. Such conduct is at odds with the republic's constitution as well as with international legal norms and the UN charter on human rights, the deputies' demand for a vote of no confidence in the government states.

The latest draft law on the transformation of POLITIKA is, in the view of these deputies, an even worse proposition than the previous one since 100 percent, instead of 51 percent, of this newspaper publishing house's capital would be state-owned while the changes offered are of minor importance. That is why the opposition is heralding even greater parliamentarian obstruction, while the People's Party alone has already prepared 100 amendments, its leader Milan Paroski has stated. If the need arises, we will amend the commas and periods in the law, Paroski stressed.

Prince Aleksandar Interviewed on Visit

92BA1229C Belgrade NIN in Serbo-Croatian 10 Jul 92 pp 22-23

[Interview with Prince Aleksandar Karadjordjevic by Dragan Cicic and Rajko Djurdjevic; place and date not given: "I Am With You!"]

[Text] After a two-week visit to Serbia, the heir to the throne, in an exclusive interview for NIN, talks about the St. Vitus's Day assembly, Serbian television, Dobrica Cosic, his meetings with Milan Panic....

[NIN] Your Highness, you have been in Serbia for more than 10 days now, and you have spent almost all of that time traveling among cities and villages in the interior. What are your impressions?

[Karadjordjevic] I am very impressed with everything that is happening, the beauty of our country, the reception that I am encountering, and the emotions shown by the people.

[NIN] Have the people's emotions aroused anything in you as well?

[Karadjordjevic] Like all Serbs, I am very emotional, but I have to restrain myself. I must face reality, because I am deeply concerned over the problems faced by our country. A person has to control himself.

[NIN] As the only legitimate heir to the throne you have returned to Serbia not to visit it, but rather to stay. How do you see the beginning of your duties, institutionally and in living reality?

[Karadjordjevic] It is hard to talk about the institutional duties of the heir to the Serbian throne at a time when almost all institutions in our country are under a question mark from both legal and political standpoints. I see my role as encouraging the necessary changes in Serbia; they have to be rapid and irrevocable, and should lead to true democracy and to our return to the international community. At the same time, I want it to be done in a peaceful and civilized way, without bloodshed and without revenge.

The question is whether such a squaring of the circle is solvable, but one has to try. The alternative is either quietly dying under the present leaders, or the tragic possibility of Serb shooting at Serb again. The crown can represent the sole unifying center and institutional framework that it was in Spain under Juan Carlos in the mid-1970's.

[NIN] In the last month, you have used your prestige for energetically speaking out in defense of Serbia and the Serbian people on the world's political scene. What were your talks at the State Department like?

[Karadjordjevic] I had several meetings with important decisionmakers in London and Washington in the last few weeks. The talks that I conducted were undoubtedly useful, with mutual respect even when there was not complete agreement in our views. During my latest visit to Washington, immediately before arriving in my homeland, I clearly stated to the State Department officials my opposition to the sanctions, for several reasons. Above all, those sanctions are inherently unfair because they proclaim the Serbian side in the dispute to be the sole culprit. It is not, and a decision adopted on the basis of such a wrong assumption can only be wrong.

In traveling through the cities of Serbia, I am convinced every day that the sanctions, above all, are affecting ordinary people, and most of all the most valuable and most successful businessmen who have succeeded in winning a place in the international market. This completely justifies my second criticism of the sanctions, which I stated to my U.S. interlocutors, namely that the sanctions are least affecting those against whom they were most directed—the political leaders. If the Americans really thinking what they told me, namely that they have a conflict with the Serbian authorities, they should cancel the sanctions and exert pressure on the authorities by political and diplomatic means. Otherwise, Serbia will be severely punished for the sins of those who are ruling it without a true mandate and without any feeling for the defense of the essential national interests.

[NIN] You addressed the people gathered in the St. Vitus's Day assembly twice. How do you view the importance of that assembly? Do you think that it will have an influence on the Serbian political scene?

[Karadjordjevic] One should take very seriously the protest by the students and all those people gathered for St. Vitus's Day. Furthermore, I would also call attention to all those who were not there, but are concerned and want a better future in a democratic country. It is the people's right to demonstrate and express dissatisfaction. This is more difficult in Serbia because of television, which is controlled by the government, and because of the use of the inherited communist apparatus. The assembly is also important because its demands were

completely valid. I would like to recall that unfortunately the authorities have not yet carried out any democratic reforms at all, and the Western democracies are completely aware of this. The West is now wondering whether Serbia is capable of getting a government that works on behalf of the people and not against it.

[NIN] The essence of the question was whether the assembly achieved anything significant, and whether it could have achieved more.

[Karadjordjevic] Naturally, if a million people had appeared at once, the future would have been changed overnight.

[NIN] At least 100,000 people appeared, and in Bulgaria, for example, that was enough for substantial changes.

[Karadjordjevic] That is something different. The emergence of that many people had a profound effect upon the Bulgarian Government. Here we have to deal with very cunning people in power.

[NIN] The ruling party, if one can judge by official television, does not see either the assembly or your trip through the interior as important events.

[Karadjordjevic] Serbian Radio-Television, like Croatian television, is a machine of the past that is creating hatred and a desire for revenge in our people. An example of such an approach is what you mentioned in your question. I am coming to my country as an advocate of democracy, which does not belong to any political party, but Serbian television is completely ignoring me, while I receive fair and unbiased treatment in the Western media. Serbia has to join civilized nations in ruling out this propaganda machinery.

[NIN] Television is controlled, and the SPS [Serbian Socialist Party] has a majority in the Serbian Assembly, both at the federal and local levels as well. With such a balance of power, do you think that the SPS is ready for big changes, or if not, do you think that those changes can take place against its will?

[Karadjordjevic] One should not forget that several SPS deputies showed a completely clear desire for democratic changes. They should be applauded. I think that such a desire exists among a large number of SPS members, but they do not speak out publicly and openly because they are intimidated by the leadership's threats....

[NIN] Is the open political involvement of Dobrica Cosic, as the president of the FRY [Federal Republic of Yugoslavia], the way to peaceful and relatively painless democratic changes, or, on the contrary, a way to postpone changes?

[Karadjordjevic] I would note first that the FRY Constitution is illegal. In the second place, the elections for the Federal Assembly were a farce and a disgrace to our country. I respect Mr. Cosic as a writer, but I am waiting to see how much he is controlled by President Milosevic. Mr. Cosic may have the best of intentions, but it is hard to work for democratic principles when the system of government at the republic level is stuck in the past. As far as postponement is concerned, we can no longer afford any kind of postponement.

[NIN] Mr. Panic's arrival also aroused many hopes. Do you see him as a man of changes, who will seek the freedom of the media and the market? If he really wants this, what are his chances of succeeding?

[Karadjordjevic] I welcome any effort aimed at democracy, freedom of the media, and free enterprise. I have enjoyed several conversations with Panic. I consider him a friend, and I know that he knows a great deal about the free market. I hope that he will adhere firmly to his promises and that the regime will not undermine his efforts with its maneuvers.

[NIN] You also talked with Mr. Panic this week. What was the content of that conversation?

[Karadjordjevic] We talked about democratic changes, the state of the economy, Serbia's image in the world, and a great deal about the way to achieve peace. We both lived in the United States, we understand each other well, and we agree on many points.

[NIN] Is there anything that you do not agree on?

[Karadjordjevic] I showed a certain amount of concern in connection with privatization. I think that we still are not ready for complete privatization. Our industry still has to be built up before that. I would by no means want to see complete foreign domination of our companies.

[NIN] Your relations with His Holiness and the Serbian Church are in the traditional spirit of the dynasty and the state. In your talks with Patriarch German, was there any discussion of your coronation?

[Karadjordjevic] I have met with His Holiness the Patriarch on several occasions. I esteem him highly as a person with exceptional spirituality and wisdom which views problems from that standpoint which transcends the madness of the moment. We talked about various issues troubling our people, but there was no discussion of any coronation. In any case, I have already emphasized personally that first we have to crown democracy in Serbia, and then everything else can take its own course.

[NIN] You have thus talked with many people in Serbia. Have you had any contacts with representatives of the authorities?

[Karadjordjevic] I have not had any direct official contacts with those holding power in Serbia, even though I have expressed the opinion on several occasions that those contacts are necessary in order to find a solution for getting out of the serious crisis we are facing, which threatens to turn into a national catastrophe. I continue to hope that realization of the seriousness of the situation will also penetrate the current political leadership, and that responsibility to history and their own people will outweigh their desire to hold onto power at any price.

[NIN] Now that you have visited a large part of Serbia, attended the St. Vitus's Day assembly, become acquainted with some of the most important Serbian politicians "on their own ground," as one might say, how do you assess the chances for establishing a parliamentary monarchy?

[Karadjordjevic] I have enjoyed my talks with our politicians and intellectuals, and especially with the people. I was particularly pleased by my conversations with students—they are the future. As far as the monarchy's chances are concerned, from the magnificent reception that I have encountered everywhere in my travels I received the impression that everyone wants the establishment of a parliamentary monarchy. Our people know that I lived and worked in a democracy myself, and that I have first-hand experience, and that I respect all political parties that aspire to democratic values. I also noted that our people especially want to be headed by a neutral person who is above politics and who cares deeply about the nation's vital interests.

Montenegro

FRY President Discusses Prevlaka, Ends Visit

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[Text] Herceg Novi, 28 JUL (TANJUG)—Dobrica Cosic, president of the Federal Republic of Yugoslavia (FRY), visited Herceg Novi this afternoon at the end of his two-day visit to Montenegro. Cosic was accompanied by Montenegrin President Momir Bulatovic.

Cosic met representatives of the Herceg Novi municipal assembly, federal and republican deputies from Herceg Novi and local businessmen in the Galeb Villa in the spa town of Igalo.

Today's talks between Dobrica Cosic and his hosts discussed primarily the issue of Prevlaka [part of the Boka Kotorska Bay belonging to Croatia and claimed by Montenegro; currently held by the Yugoslav Army]. Dobrica Cosic said the following about this issue:

"Prevlaka is the border of Sombor, Krusevac, Urosevac and Uzice [Serbian towns]. It is the border of Yugoslavia, and Yugoslavia is either won or lost there. What will happen with Prevlaka? We shall defend it the way we have been for centuries defending ourselves from forces of occupation and attackers. We do not want to defend ourselves with arms. We want to defend ourselves with arguments. Our efforts are efforts for peace. We want to agree with our neighbors and with those who are behind them and are protecting our neighbors. Only an empty head, an irresponsible man, could draw that border in this way," Dobrica Cosic said. "Prevlaka is my greatest nightmare and I think that we shall not and must not give it up easily."

About the issue of Prevlaka, Momir Bulatovic recalled that—at the beginning of the last October, even before hostilities with Croatia started—Montenegro lodged a demand and a proposal with the Croatian Assembly that talks on Prevlaka be opened, thus showing to the world that it was for a peaceful solution to this problem.

Bulatovic stressed that negotiations on Prevlaka were still under way, and that the UNPROFOR [UN Protection Force] and the Security Council were also involved. "This area is of the vital importance for the FRY, and I would say, only marginally for Croatia. Prevlaka is unimportant for them," Momir Bulatovic stressed.

Asked by participants in today's talks what he expected from the Conference on Yugoslavia, Dobrica Cosic stressed: "I hope that the world wants to stabilize this area, that its interests make it imperative that their decisions are sensible, just and democratic. We are aware that foreign factors, which dismembered Yugoslavia and want to dismember Serbia and Montenegro and this Yugoslavia, will try to influence the Conference on Yugoslavia. They could turn our borders into war frontiers and put into jeopardy the future of our children. We are preparing for the conference and we shall take it seriously. We shall defend our interests and show that we are sincerely for peace. We shall support every sensible and democratic proposal. This event can be decisive for our political fate and the fate of the state, and so I am a little bit apprehensive and fearful," Dobrica Cosic stressed.

Asked why he was not going to the conference, Momir Bulatovic said that he found out about this from the press and a letter sent to him by the Montenegrin Democratic Forum. Asked to comment a statement by Ibrahim Rugova [leader of Kosovo Albanians] about a Kosovo republic, the FRY president, Dobrica Cosic, said:

"This a rush political statement, rush but dangerous, because it has powerful mentors. The CSCE and the international community persistently do not want to see the truth and to make a difference between granting rights, real rights, which will not be used to achieve secessionist goals. They only want to see that Albanians in Kosovo do not have human rights. The situation in Kosovo is bad for both Albanians and Serbs and for our entire state," Cosic stressed.

"We must improve that situation as soon as possible, and hence, we want a dialogue. They refuse to talk. Unfortunately, even Albanians in Montenegro did not want to talk with me. We have charged three federal ministers to conduct a dialogue with Kosovo representatives. Unfortunately, they are not as effective as we would want them to be, but I hope that a dialogue will take place."

FRY President Dobrica Cosic, assessed his visit to Montenegro as exceptionally beneficial. Cosic has left for Belgrade this evening.